

ADMINISTRATIVE FILE

Automatic

X

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October 26, 1964

Mr. Alva C. Rast, Jr.
State of Louisiana
Shreveport Trade School
837 Hope St.,
Shreveport, Louisiana

Dear Mr. Rast:



STATE OF LOUISIANA
SHREVEPORT TRADE SCHOOL
837 HOPE STREET
SHREVEPORT, LOUISIANA

October 22, 1964

AUTO MECHANICS

BODY & FENDER

BARBERSHOP

BUSINESS TRAINING

CABINET MAKING

DRAFTING

MACHINE SHOP

PRACTICAL NURSING

RADIO & TV

REFRIGERATION &
AIR CONDITIONING

SHEET METAL

SMALL ENGINES

UPHOLSTERY

WELDING

International Brotherhood of Teamsters,
Chauffeurs, Warehousemen & Helpers of
America, AFL-CIO
25 Louisiana Avenue N. W.
Washington 1, D. C.

Gentlemen:

Please send me a copy of your publication "What Automation
Means to You" and any other free information which you may
have available in this field.

Your co-operation in sending any of this information will
be appreciated.

Very truly yours,

Alva C. Rast, Jr.

Alva C. Rast, Jr., Instructor

ACR:dr

INTERNATIONAL BROTHERHOOD OF TEAMSTERS
CHAUFFEURS · WAREHOUSEMEN & HELPERS
OF AMERICA

MAIN AND PRINCIPAL OFFICE, 2801 TRUMBULL AVENUE, DETROIT 16, MICHIGAN

WASHINGTON OFFICE OF
• JAMES R. HOFFA •
GENERAL PRESIDENT
25 LOUISIANA AVE., N.W.
WASHINGTON 1, D. C.

ADMINISTRATIVE FILE

Automation

X

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January 8, 1964



TO: ALL LOCAL UNIONS

Attached I am sending you a copy of "Men and Machines".
I especially draw to your attention the text starting on Page 33.
This tells the story of how one International Union has met the
serious problem of automation in their jurisdiction.

Additional copies are available for purchase through the
International Longshoremen and Warehousemen's Union.

Fraternally yours,

James R. Hoffa
James R. Hoffa
General President

JRH/mc

Enclosure

INTERNATIONAL BROTHERHOOD OF TEAMSTERS
CHAUFFEURS · WAREHOUSEMEN & HELPERS
OF AMERICA

MAIN AND PRINCIPAL OFFICE: 1801 THUMBALL AVENUE, DETROIT 10 MICHIGAN

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HELPERS OF AMERICA

25 LOUISIANA AVE. N. W. WASHINGTON, D. C. - ST. 3-4525

FOR IMMEDIATE RELEASE
December 9, 1963

ADMINISTRATIVE FILE

HOFFA CALLS FOR 20TH CENTURY APPROACH
TO PROBLEMS OF JOBLESS AND AUTOMATION

Automation

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WASHINGTON, D. C. -- Teamster General President James R. Hoffa today told a select subcommittee of the House Labor Committee that the nation should not label automation a curse but should adopt 20th century methods to meet the challenge of technological advance.

He called for the nation to set labor free from repressive legislation so it can effectuate a better distribution of the nation's wealth.

Hoffa stated that automated industry is not yet sharing the benefits of technological advance with the public or with labor. Automated industries, according to automation expert John I. Snyder, now stand in the 22 per cent profit bracket.

The Teamster president testified that statistics of the last 5 to 6 years reveal the basic problems in striking fashion:

1. Unemployment is high and isn't coming down.
2. Unemployment is lasting longer.
3. The nation has huge unused capacity.
4. There has been a slow-down in economic growth.
5. Any rise in productivity cuts need for workers.

6. Productivity has outstripped wages.

Turning to the specific problem created by automation, Hoffa stated that "automation is causing a redistribution of income in our society with the following results:

"1. There is emerging a more securely rich group at the top. The holders of stock in automated companies are now enjoying higher profits and higher dividends.

"2. The 10 top industries which advanced in profit over the third quarter of 1962, were highly automated industries such as steel, aircraft, airlines, railway equipment and office equipment.

"3. A continued struggle for a moderate existence of most regulary-employed workers.

"4. At the bottom, the abysmally poor seven millions live on surplus food handouts."

Hoffa stated that the first phase of automation was to sweep away the jobs of blue collar workers, but that the second phase will be to sweep away "hundreds of thousands, if not millions, of white collar worker jobs."

Hoffa said that he disagrees with those who call automation a "curse" or a "worse danger than the atom bomb."

"I do not believe that some (men) were born to work and some to play, I do not feel anxious about machines taking over jobs. I do not see one group of people as 'the workers' who must always be grateful when given a chance to hew wood or

draw water -- for other people."

In outlining his approach to problems of automation, Hoffa stated that any program should include:

1. Immediate wage boosts to get wages in line with increased productivity, to boost spending and to fight deflation. "The most direct and most effective method of distributing the gains of increased productivity is to enlarge the role of unions since it is to rely on collective bargaining." Hoffa stated.

2. A tax cut is necessary. Hoffa called for one which would give exemptions of \$1,000 per dependent, and thus help in a more equitable redistribution of the national income. Of the proposed cut now before congress, Hoffa stated that it benefits the rich and does little for the lower income groups who need help the most.

3. A crash program of social legislation, which would include a Technological Unemployment Fund, financed by a tax on employers, to focus attention on the problem of unemployment and to provide an incentive to eliminate unemployment.

4. Retraining programs. The Teamster leader called for an intensified retraining program through the U. S. Employment Service.

5. Public Works Program. Hoffa suggested that through public workers we could not only put jobless persons to work, but we could also be repairing and adding to badly needed schools, roads, hospitals, low-cost housing, urban renewal, recreational

facilities, flood control, soil and forest conservation, irrigation and drainage. "Providing these will stimulate national growth and progress, immediately and directly," Hoffa declared.

Hoffa reiterated Teamster policy of a legislated shorter work week. He frowns on negotiated shorter work week, which leaves the non-union employer free to take competitive advantage of the union employer bound to shorter hours by a contract.

The Automation Revolution
and the
American Community

The Action-Program and Analysis of the
Rank and File Solidarity Caucus of the
International Brotherhood of Teamsters

The Haunted Union Hall

A specter is haunting America - the specter of automation. Government leaders, intellectuals, business, labor -- The ghostly presence has touched the hearts of all America with the cold terror of a nightmare universe in which machines rule supreme over man. But nowhere has the specter taken on such reality as it has for us guys in the union hall...

But why should a technological advance into the future pull our guts tight with fear and despair? We are Americans, a people whose history and destiny has been forged in the conquest of ever new frontiers. Ghosts grow out of the dead terrors of the past. What is it from our past then that has shrouded the future in the trappings of death? The fear of technological unemployment? But the past sixty years of this century have shown conclusively that every technological advance has meant more jobs and a higher standard of living for all. Yea, the fear of unemployment is undeniably present within the shadow of automation. But for American labor we believe that the real source of its dread is other than what it seems to be...

We are haunted by a remembrance of the past, a remembrance difficult to express - but a remembrance that because it is more ours than any other group of Americans, only we can give words to. The vision, the faith that kept us going from streetcorners, through army barracks and into the rough battle to make a living and build a decent life for our families was the American Dream. No one, we believe, not even ourselves, ever realized how seriously we took what was at the heart of all the fancy Fourth of July words. In the tough, cynical American manner we told everyone that what we were struggling for was more pork chops, a little bigger piece of the almighty American dollar. But in the anger and joy of battle on the picket lines, in our courage and loyalty as soldiers or in our behavior as citizens in our communities - there was something else. We believed in the American Dream. And the truth is that we understood better than anyone else the true meaning of that vision of the world. For American Labor it meant no more and no less than that a world was possible in which, together in brotherhood, through work in dignity, the conditions of freedom could be won within which the individual man could forge his destiny and that of his children. It might be difficult for many to understand, but for most of us who somehow missed the Hollywood Dream Flight to Success it doesn't mean cutting your throat or hitting the bottle. It means making the best of life, hauling the freight of the world, doing the best we can for our children, and having a few laughs over a glass of beer. But what sustains us is belief in our American Dream.

But something gave substance to that dream. And though we never talked about it much the memory haunts us to this very day. There were those moments in our lives when we experienced the feeling of being a member of a group that accepted us on the basis of the inherent worth of every man and gave to each and every one of us a role to play in the life of the group. And by carrying out part of the load and by making our weight felt in the decisions of the group we experienced something new - the feeling that as individuals we counted, that we were growing in our power and ability to become masters of our own soul and to effect the nature of the world about us. The family as we once knew it, the old neighborhood gang, the union local, the ward political machine, our outfit overseas - we all remember those moments when we felt that without us it wouldn't have been the same and that without the people around us we would have been lost and lonely souls. "Community and the free wheeling and dealing individual" - Those words about sum it up, don't they? They also explained something that the whole world and a lot of our fellow Americans had trouble understanding - namely the pride we felt as American workers and the loyalty we gave to our American institutions. For despite the fact that whether it was baseball, the struggle between labor and capital or who was going to be president, we were ready to split heads; we never gave up the idea that we were all in the same boat, all members in good standing of the American community. It is a precious feeling, this American remembrance of ours. There were and are today a lot of Americans who never knew this feeling of bucking city hall and yet feeling that you belonged there in the election night celebrations. In that sense they are the underprivileged. For them America is nothing more than a rat race, a seeking for status without ever knowing that the only real status is that of self respect.

The thing, of course, that causes so much pain and confusion is that in each victory we have won together and as individuals against the oppression and degradation of the past, we have also lost something that we possessed in the past. And with that loss it seems as if the very heart of the American Dream has died. If we were to sum up in one sentence what has happened to us in every part of our lives from the family to international politics, we would say that: "we have lost the means or the ability to communicate to others what we think and feel and the ability to understand the forces and those decisions of the distant others that shape our lives." The complications of the U.N. debates, the long winded reports of Congressional Committees, the negotiations of our union leaders with the bosses or even the world of our sons and daughters -- somehow these days we are left out of everything and nobody seems to give two cents for either our opinion or our ability to make even a small dent in the way the world is going.

Is it any wonder that so much fear and despair congeals about the word "automation?" The labor movement, they tell

us, is on the slide. In another decade or two, they tell us, every bit of brain and brawn of the American worker will be obsolete, on the scrap heap of history. It is as if the spectre of automation comes forward, its electronic brains clicking out the blood curdling message: "The American Dream is finished. Your individual destiny is now in the hands of the electronic data processing machines. And machines linked together will soon replace that solidarity of community that was held together by the inefficient, uncertain flickering feelings of human brotherhood."

Yes, the union hall is haunted. But in the shadows at the rear of the hall are many ghostly voices... The American labor movement was no one man's creation. The blood and sacrifices of life and energy that went into making it what it is today were as complex and varied as is all of America. Catholic labor priests, anarchists, hobblers, socialists, communists, conservative Republican voting business agents, labor leaders, goons, gangsters and just plain guys - all played their part, all helped it to grow, all left their mark on it for good and evil. But at bottom it was the rank and file that carried it through to its victories and undeniable contributions to the making of a better America for everyone, no matter on what side of the tracks they lived.

We believe (although some of them would deny it while many others obscured the fact by their talents as sell-out artists) that those men and women who built the labor movement were inspired in their best and lasting moments by the same American Dream embraced by the rank and file.

We also believe that it is in defense of that dream that we now step forward to speak to our brother and sister trade unionists. We embrace the heritage of our past. We seek fulfillment of the aspirations that the dead and forgotten of the labor movement shared together as both unionists and Americans --

But we do not fear the future! We have a program of action to propose that we believe is capable of winning over the hearts and minds of the rank and file of America to a struggle for an America and a world that will see the American Dream a victorious reality for all of mankind.

The terrible spectre of automation? Automation holds no terror for us. Automation is no mysterious monster. It is nothing more than an idea of men, an idea capable of being understood by every one of us rank and file elosbe - but an idea that contains at its heart the solution to all of our unhappy confusion and fears as Americans.

But we believe the joker is that there is a strong possibility that it is only the rank and file of the American labor movement that is capable of grasping the idea of automation in all of its complications and sweeping implications.

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Yea! And moreover we believe there is also the strongest possibility that automation will become a reality only by an all-out struggle of the American worker to bring the fastest and most thorough-going application of automation to all of American economy and society!

Yea, we repeat it - Automation (and the quicker the better) is the answer to every problem confronting the community of man!

But the greatest danger at present is that the American worker will be so blinded by fear that he will not understand the true meaning of automation. And so we are going to explain it to you slow and easy and in simple words so that every assembly line idiot will get the message loud and clear.

Is it because you guys are dopes that we insist on spelling everything out? No, the trouble is that the American worker has had too much education shoved into his brain. We read too many magazines and paperbacks, we watch too many highbrow TV symposiums. What has happened is that our heads are so full of the big words and fuzzy ideas of our intelligentsia and professors that our brains have become as fogged up as those of the biggest nincompoop of an egghead. And that is one thing we are going to prove up to the hilt - Namely, that our American leadership, all across the board, has wandered into half a dozen dark, dead-end alleys on the question of automation, that all of them; labor leaders, corporation presidents, politicians and publishers, both Left and Right, have failed to grasp the meaning of automation.

And so we ask you to give us your attention and give careful consideration to our arguments and our proposals. You have nothing to lose but an hour away from the phoney togetherness of American life - And what you might gain is once again the guts and the inner conviction that you are not a cog in a big mysterious machine, but a real living person who can count in an important way in the grand scheme of the universe - And maybe when you have thought it through with us and your fellow Americans, you will agree with us and say...

"Damn it! We're not finished! All we have to do is get marching again, laughing, shouting and pulling together! Ahead of us is... Yea! It's the same old Glory Road that once so stirred and fired the imagination and courage of Americans all across this great, lonely land of ours!"

I The Meaning of Automation

The first public image of automation grew out of "Detroit automation." And it is this image that still dominates a lot of thinking about automation. What caught the attention of everyone was the integration of machines in the auto plants, the linking together by means of automatic transfer devices the machines of production. But automation has become more complicated. When the term "automation" is used it can mean any one of four different forms: 1. the automatic handling of information by use of electronic systems known as "computers;" 2. those computers and integrated systems for process operations such as the "Process Control Systems" of the oil and chemical industries; 3. the use of tape and other automatic control devices to direct operation of machines known in the machine tool industries as "Numerical Control" and 4. the now familiar "Detroit automation."

But the key to understanding the meaning of automation is to grasp the one fundamental idea behind all the various forms and applications of automation. As one of the foremost authorities on automation put it before a Congressional committee:

"The more I have been engaged in the actual application of automation to industry and government the more convinced I am that the fundamental importance of automation is not so much the connecting of machines as it is the ability to create automatic information and control systems."

In the words of John Diebold, automation "is a way of thinking as much as it is a way of doing. It is a new way of organizing and analyzing production, a concern with the production process as a system, and a consideration of each element as part of the system." In practice this revolutionary way of thinking means the systematic application of the principle of "feedback," that is, the construction of self-regulatory machines which control their own operations so that production processes can be designed that ignore the human limitations of the human worker.

But actually automation is really not such a sharp break from the past as it seems at first glance. The brand new applications of the principle of feedback have been opened up largely by developments in the field of electronics. But the principles behind self-regulatory machines and systems have been known since the days of Moose. And even before man walked the earth the principle was in operation; for nature itself is full of self-regulatory systems from blades of grass to the circulatory systems of animals. As unconscious

and as automatic as the most efficient machine, the roots of a plant convey information to the total system and the plant reacts by pushing the roots in the direction of better soil. The animal begins running and half a dozen information and control devices set its heart beating faster.

But simple machine examples of automation are just as familiar. What else was the tail fin and gear mechanism that rotated the old farm windmill pumps around to catch the breeze but a self-regulatory machine or application of the feedback principle? The voltage regulators, the engine governor, the steering servo-engine on ships - all of them are nothing more than applications of the central idea of automation. Whether in nature or in machines the principle is the same - automatic information and control systems.

In fact, even when we look at human beings living in groups we can see a few signs of the working of the same feedback principle. Human beings are very unpredictable and seem to be free at times to act any way they please. But whether it is a family, an infantry squad or a government, human groups have a system. Every established group after awhile develops routines and rules within which regular, semi-automatic information and control systems are set up. A child asks his mother if he can have a cookie, but on other questions of information and control the old man lays down the law; while at still other times, depending on the family system, the child's desires and needs act as information that controls the on-going system of the family. Think about it for a moment - when we say that a family or any group, small or large, is "really a tightly knit team," isn't an important part of the smooth functioning of such a group that it is well integrated by a self-regulatory information and control system? And isn't it true that in such integrated systems the conditions are such that the individual members of the system are given an opportunity to function at the best of their abilities and to utilize all of their potentialities? Whether it is the individual or the group, it is the existence of self-regulatory systems in our lives that enables us to make a great many solid predictions on how the unpredictable human animal is going to behave in a given set of circumstances.

To understand the technological meaning of automation in our modern world we have to apply the same basic idea of automation to the total world of man. And when we do we find that this world too can be approached as a self-regulating information and control system. Every man as well as groups of men, it turns out, must solve three basic problems:

1. Against nature man must get the necessities of life. Their answer in this area of life is tools, machines or technology.
2. Together with other human beings man must establish order as to the relationships with one another. His answer

in this social sphere of life is worked out in the tangle of groups from the family to the United Nations.

3. And finally every man must come to grips with the ideas and thinking of other men as well as his own opinions. This is the world of thought.

Now, when we look at technology, social relationships and thinking apart from the men who have either created or received them as their heritage, we notice that together they function as single self-regulatory information and control systems. Some ideas are a lot of hot air because either they are impracticable as far as technology is concerned or else they would disrupt all family and government relationships. And then there are machines that come along that change ideas and the ways men live together. Or a change occurs in the family that permits the introduction of a new machine or idea - and always there is the possibility of some joker crying "Eureka!" and coming up with a new idea in any of the three spheres that eventually changes all three in such a manner that the total system changes into something that is different from what it started out to be.

What all this means is that when we think about economics and political problems or even the latest family squabble the most thorough understanding of the problem will come when we have seen the problem as part of the total system and realize that all the parts interact with one another.

In every problem of life we are always confronting a problem within an interdependent system of systems within systems. Most of the time however the problem is such that it can be dealt with within the narrow confines of the immediate system with the understanding of the self-regulatory information and control system practically unconscious -- take, for example, the problem of whether a pitcher should walk a batter or attempt to strike him out. But in the life of every man and every group of men there come those moments of crisis when much depends on the solution to a problem. Should a man pull up stakes and try his luck in another town in a different line of work? It is at such moments that a man sits down and thinks out the implications of such a decision for both himself and his family by taking the immediate problem and placing it within a long range view that includes both past and future as part of the problem. Systems change. A family, nation, or for that matter that system that is the individual man, all go through a development. In one sense it is the same self-regulatory information and control system, but in other ways it is different than it was in the past and is likely to be in the future. In other words, certain decisions, the solutions to certain problems, require that a system be understood in its historical development. That guy figuring out his and his family's future... Isn't it obvious that feedback or the self-regulatory information and control system approach is the way man thinks and operates in his best moments?

An understanding of the system or systems relevant to a problem, a historical understanding of the past and most probable future development of the system context and finally a consciousness of the alternatives and a resolute action that resolves the problem -- A failure at any point of this process results in a failure of nerve, a feeling of helplessness and a rash decision or a do-nothing surrender to the blind working out of unknown alternatives with unpredictable consequences for the system and the human beings caught within the web of the system...

Now let us stop for a moment and see where we are. We have completed three preliminary steps in our argument.

1. We have dug out of the maze of wires and tubes the central idea of automation and realized how simple it is.
2. We have seen how this idea of self-regulatory information and control systems holds true for an awful big hunk of the reality of the world.
3. And from all of this we have come full circle around with a way of thinking about the spectre of automation haunting our union hall.

Okay, now let's push on into the heart of the matter.

1. The Liberation of Technology

Automation, although a reality, is only beginning. So our understanding of it must of necessity come from a study of isolated cases where it is in operation. What we learn from these cases must then be viewed: (1) within the perspective of the long term trends of our industrial system, (2) projected into the future and (3) finally viewed as within the total system that will finally emerge. We begin by taking each part of the system and seeing how it fits into the total system of life.

If we consider for a moment the total development of technology from the cave man up to the present automated factory, a peculiar circular pattern will emerge. Technology passed through three periods. The first was the long hunting and gathering stage of primitive man. The second was the agricultural stage. And the third began with the industrial revolution.

Each period began with the utilization of a new source of energy. And in moving from one period to the next a paradoxical threefold process unfolded that moved both away from the conditions of primitive men but also toward re-establishing those same conditions although in new forms on a higher level.

During the five hundred thousand year period that followed the days of Adam and Eve humanity spread into every corner of the world from the Arctic to tropical jungles, from the alps to the most distant Pacific island. Fire, of course, was the energy source around which developed the tools and implements of the hunters and gatherers of animal and plant life. The next phase of technological advance grew up around the discovery of the workings of an even more basic source of energy, namely the reproductive process of plant and animal life, the knowledge of which became the foundation of the agricultural revolution and the building of cities. And finally came the knowledge and mechanical developments which permitted the utilization of the power of steam that started the engine of the industrial revolution rolling. And once it was rolling there came in rapid succession (almost bunching up on one another) the electrical dynamo, the gasoline combustion engine and the nuclear reactor power plant.

If we look at each period as a whole and in comparison with each of the other two periods we discover the following long term trends:

1. A growing interdependence of the tools that make up the technology of each period. The technology of an Arctic Eskimo and that of a native in the jungles of the Amazon, though both based on fire, could exist in relative independence of one another. A tool used in one part of the ancient world did not have to depend on the existence of another tool somewhere else. But with the agricultural revolution the situation was radically changed. Without the farmer and his plow it was impossible for the tools and crafts of the builders of the pyramids to exist. And once an agricultural system discovered the use of the steel sword and the cavalry chase it meant that all other agricultural systems either had to keep ahead in the arms race or else come up with new technological innovations that would keep their agricultural communities in business. Still, agriculture permitted a great deal of variation in technology. With the coming, however, of the industrial revolution the interdependence of the tools of technology rapidly became more and more underlined. The opening up of the American plains required good steel plows, railroads, machine shops, mines, cheap food and goods in such a circular and cumulative fashion that eventually every tool and piece of machinery became more and more dependent on the existence of other tools in the technological complex.

2. A growing number of tools with built-in self-regulatory information and control devices. Such tools were not unknown

to primitive man. One has only to think of the ingenious animal traps known to every small town or country kid. They are mechanisms or tools that embody completely the self-regulatory information and control system of tool design. But with agriculture came the spectre of automation in the form of a host of gadgets from waterwheels, windmills to the bit and reins technology of old Dobbin the plow horse. And finally the steam engine of Watts with its flyball governor announced that automatic controls were part and parcel of a new revolution.

3. A growing specialization of tool types and a growth of machine complexes. Stone chisels were known to primitive man, but in time one worker had need of five, six different types of chisels. This development together with the growth in the complexity of machines is, of course, one of the most obvious characteristics of technological development.

Although the subject of knowledge gets us away from technology (and touches on a host of other problems) the use of tools demands skills and these skills involve knowledge. The understanding of technology would be incomplete without a consideration of the trends of technological knowledge. And it is when we view our subject from this slant that three additional long-term trends come to our attention.

1. The decline of individual knowledge of the total technological environment - In the primitive world of the hunter and gatherer every individual was required to have a first-hand acquaintance with all information relating to his total environment together with all of the control skills necessary to keep self and family alive. There was, of course, a division of labor, but nothing to compare with the situation in the agricultural systems. At this new stage men made a living by restricting skills and knowledge to far more limited spheres. And in the technological system of industrial society a man could be a perfect idiot about the technological world about him as long as he knew welding, driving a truck, how to get elected to Congress or write singing commercials.

2. The decline of the skills and knowledge of the craftsman among growing numbers of men. What was involved in the craftsmanship of the village blacksmith, the cabinet maker or the tool and die maker was human knowledge that stood as the middle term that joined together tool and the material world of nature. Now, in the technological world of primitive man craftsmanship was not absent. In fact, every man was a craftsman or a skilled worker. The reason why this fact is frequently forgotten is that primitive man was a truly skilled jack-of-all-trades. He was forced to confront his total natural environment as the master craftsman: a hunter, medicine man, wood worker, food processor, house builder, stoneworker -- Any museum exhibit of the culture of the American Indian testifies to the degree of universal craftsmanship of the individual man of that age.

To be sure, his skills were crude when compared to those of the craftsmanship of the specialized artisans of the agricultural societies of Egypt, China and Medieval Europe. But with the building of the pyramids, the great wall of China and the Cathedrals of Europe something new appeared - masses of men who were lacking in skills, who took up the work of the world with little if any skills or technological knowledge. The replacement of coolie labor by machines in our industrial system, contrary to appearances, did not reverse this trend. For if unskilled laboring jobs such as ditch diggers declined, the work of the world required less and less craftsman-like skills in the true sense of those words. More and more jobs came into existence that required less training and less technological education; soldiers turned out after eight weeks training, assembly line workers after a week, file clerks and stock boys after three days. Requiring job applicants to have a high school or college diploma for many job categories might have obscured what was happening, but after awhile it became clear that even a growing number of so-called white collar jobs demanded less and less skill.

Thus, in time, for growing numbers of human beings not only has contact with their natural environment diminished but added to this has been a decline of the utilization of their innate abilities and individual powers of mastering the world of nature in the manner of the craftsman.

3. The growth of knowledge of the universe through technological development. Assembly line idiots and moronic political leaders -- And at the very same time the frontiers of human knowledge are expanding to ever more distant galaxies of stars and deeper into the meaning of life and the most mysterious secrets of the atom! Yes, in time with the growth of technology came an increase of knowledge which led in turn to further technological breakthroughs. The paradox is that as first hand intimate knowledge of primitive man of his total environment disintegrated there became concentrated in a relatively smaller number of human brains a wider and deeper knowledge of the universe. In time, of course, the knowledge of the priest, philosopher-scientist and the engineer percolated down to the broad masses of mankind so that each generation saw its horizons widened. But the gap between the knowledge of the masses and their organizers of technology grew deeper as knowledge and technology became more complex.

And now our technicians report that electronic machines will soon take over the remaining areas of the information and decision controls of technology. What looms on the horizon is the liberation of technology from both the hand and brain of mortal man. Machines that design and build new machines are now a theoretical possibility.

But if we hold off for a moment the spectre of the robots taking over the world and think about the immediate consequences-

quences of an automated technology, we will see how machines are about to complete a circle of a kind by reversing all of the long-term trends we described...

Take, for example, the ability of men with tools to live in any natural environment. This was far more true of primitive man than it was of agricultural man. The technology of agriculture could come into being only where there was land easy to cultivate and the crop of such a nature that it could be stored. The industrial revolution in turn became even more restricted - to those nations and regions that had easily accessible coal and mineral sources. And finally the automation revolution appeared only at that time and place when both the technological-scientific development and the imperative existed together - the America of the Second World War.

But the automation revolution opens up new perspectives. The growing gap between the knowledge of the masses and the System Engineers? Automation, as we shall see, demands that the gap be narrowed. The decline of the skills and knowledge of the craftsman among the masses? The engineers in reality will become the only ones whose knowledge stands as a middle term between tools and the world of nature. But as automation advances the prospect before us becomes one in which the only workers will be engineers, a mass of them to be sure, but all craftsmen. The decline of individual knowledge of the total technological environment? But as we shall see automation will demand an environmental context of an extremely balanced nature. It will demand of the individual voter, politician and engineer that they have a thorough understanding of their total technological environment. A growth of specialized tool types and complicated machine complexes? But already single automated machine complexes are coming into existence that perform a wide variety of functions. And in sheer size and complexity there is a trend in the opposite direction. A growing number of tools with built-in self-regulatory information and control devices? Yes, but if the machinery of the age of automation is viewed from the point of view of the new craftsman, the systems engineer, what then emerges is that once again man stands confronting nature ready to invent and shape the future with his own brain and skills. A growing interdependence of tools? Yes, but the talk about machines that can design and build other machines reverses the trend of interdependence. Already in use, for example, are power generators that operate on the energy of the sun - machines that can function in an isolated jungle village a thousand miles from the nearest paved highway and the complexities of modern technology.

We are returning, on a higher level, to the integrated world of primitive man -- And with a technology that breaks free of the limitations of geography and history, a technology that, like the crude implements of a hundred thousand years ago, will permit modern men to live together in any natural environment in any part of our planet.

2. The Liberation of Community

But the idea of ghostly hordes of robots marching on the community of man does hard. If utopia is the prospect for the race of engineers of the future, what of us ordinary slobs here and now? Is it not possible that together the engineers and the robots will declare us obsolete?

It is true that a note of gloom and doom is struck by this vision of the triumphant automation revolution. But this science fiction ending of man is a fantasy without the slightest basis in reality. In fact, what we intend to prove is: that the automation revolution will never be achieved without the growth of true community among men here and now and a corresponding growth in the freedom of every one of us from those forces which now cripple and enslave our natural creativity and intelligence -- but let us first lay the basis for distinguishing between science fiction and the scientific facts.

As we noted earlier, "self-regulatory information and control systems" are to be found throughout the world of nature and man. But the words "self-regulatory" are deceptive, for in truth no system, whether it be that of the atomic nucleus or technology in its total development, is a completely self-contained, self-regulatory system. All systems are open ended at some point. And it is at these points that they become parts of other systems in so far as they are affected by the environment that surrounds them.

But the example of technology raises the question: What of systems that grow, that in time come to exert a counterforce on the systems surrounding it? What is the likelihood of some one system becoming supreme over other systems? Or isn't it possible that all systems are embraced and ruled over by some system beyond the knowledge of men?

Such questions touch on the ultimate, unanswerable questions that have plagued mankind throughout all of its history. We can only attempt an answer within the limits of what we know with a high degree of scientific probability. But for the problem at hand we believe that knowledge will prove sufficient. First, in passing, we might observe that as to the existence of a truly complete self-regulatory information and control system, men have come up with only three answers. The first is the answer that there is a God who created and sustains the existence of the universe of all systems. The second is that of Buddhism and some other religions to the effect that everything that exists is all part of one truly complete self-regulatory information and control system. And the third answer is the no-man's-land answer of atheism: the absolute rejection of any absolutely finished first principle of organization or system.

Scientific knowledge, however, has as yet been unable to come up with anything near a definitive answer to this question. Confined as it is by experiment and logic, it is unable somehow to come to grips with the big and final questions. The universe it presently finds itself in is one in which all systems are in some way or another affected by their environments - in other words, an open-ended universe of open-ended self-regulatory information and control systems. The truths discovered by man in the realm of science and reason need never conflict with the truths embraced by Christian, Buddhist or Atheist. But atheists and religious men alike can use penicillin to fulfill the dictates of their consciences...

And so now together in a community of united purpose we ask: What of the development of systems in the time and world known to the reason of man? What has science and reason to tell us on this score?

It all started, they tell us, with the simple hydrogen and helium atoms caught up in swirling, explosive, gaseous clouds of fire. The formation of stars, planets and galaxies into infinity; the cooling of the earth; the coming together of atoms, elements into compounds of complicated chemical structures; the emergence of life in the ocean of time; that life growing, developing into forms of plant and animal life that kept unfolding a million different possibilities until - the arrival of man out of whose thought, feelings and action eventually came the machines, society and philosophies of our world of today.

If we look at it all from the point of view of emerging self-regulatory information and control systems, we discover three long-term processes at work:

1. The increasing breakdown of the isolated unity of systems through the emergence of new systems that integrate the older systems within its own while remaining contained within the confines of the earlier systems.
2. The increase of chance and/or freedom in both the emergence and functioning of the larger integrating systems.
3. The growing emergence of the energy-power of creativity of the emerging key integrating and control systems.

In this theoretical picture of science the original building blocks of our universe, the atoms, were like isolated individuals in a great mass of other individuals with their individual unity intact but with little if any information and control over the totality of their environment. In moving from the physical world through the organic into the world of human thought and action each individual information and

control system that emerged was forced to take more and more factors into account and to develop finer and more complex forms of control over its environment.

The increasing price of maintaining the unity and existence of every new system was the necessity of increased efforts in dealing with the forces of disintegration its own system brought into existence. What occurred was a growth in interdependence that held true for the individuals within a system and for that system within its total context of other systems. Think for a moment of examples from everyday life and you will have the basis for understanding these laws of system development. That chemical system known as gasoline integrates into its system a whole host of smaller isolated physical and chemical systems. But one spark of fire and its unity as a system is destroyed. A tom cat, on the other hand, by integrating the facts of the physical world into his superior information and control system, is able to keep a distance between his system and fire. But he needs every one of his nine lives to get out of all the scrapes his tom catting can get him into. And finally a man, by information and control of a host of systems, can go on prevailing by knowing how to start a fire, catch himself a fat rabbit and seeing to it that laws are passed and put into force guaranteeing his safety and well being against other men who play with nitroglycerine and worse.

Now, scientists tell us that there seems to be a principle of uncertainty in even the behavior of the system of the atom. And as the integrating systems get larger and more complex this uncertainty seems to increase. It is as if in moving from atoms to monkeys there is a growing premonition of what in the affairs of men has come to be known as the "freedom of choice." Of course, philosophers still argue about whether there is any such thing as chance or freedom. But when it comes down to betting odds, the chances are that we can predict what will happen if we put a little salt in our beer with much greater certainty than what we are going to say to the bartender if we have one too many beers. Moreover, if we could stand at all those points in time and space at which every new integrating system was about to emerge we would find that a new combination of atoms would be much easier to predict than the appearance of life, and that as the systems unfolded the predicting of each new system would become more and more difficult. But even at the lower levels scientists tell us that we simply do not know why new systems emerge - the how and the wherefore, but not the why. All we have is the pattern after the event has been accomplished.

It is not therefore proven that it was inevitable that man should move from hunting and gathering, through agriculture into the industrial age. It is true that at every stage the power of the ruling self-regulatory information and control system increased in its power to create a new condition, to

effect in new ways its environment. But there was also an increase in ability to hold back the unfolding pattern of possibilities and even to destroy the basis of the future advance. In men you have something qualitatively new - an information and control system that contains the possibility of standing back and setting up a new information and control system to look at its self and of changing its total plan of operation. This creative power of man raises a host of perplexing questions. Science, of course, can plunge into the problem and come to a better understanding of all of the mechanics of it but there is no guarantee that all of the mysterious unknown will ever disappear at either end of the unfolding systems of the universe from the atom to the man who stands in the dark night of time and contemplates all the universe. In the meantime, "freedom and chance" remain useful words and ideas. For man is a poker player who, through knowledge, wants to move with the odds in his favor with the greatest freedom to play his crummy hand of cards to the best of his ability.

Thus it is that when we come to automation we want to know what all the chances are. The inevitability of the automation revolution? We know better. One wild little creative push of the wrong button and we will be automated back to the stone age by nuclear destruction.

But more to the point - Every one of our major technological revolutions demanded new social requirements. And all the evidence points to the conclusion that these new social forms had to be brought into existence in the same creative trial and error method as did every bit of our technology. But the development of technology points to something frequently overlooked in all revolutions. The development of a new machine always grows within the shell of the old. What happens is that well established components or ideas are combined to produce the new. Every revolutionary growth always recapitulates the past; that is, the new development advances by embodying within it the old - like the feedback idea of automation.

What we are getting at is that the new social forms demanded by automation will be brought into existence through a revitalization of our present social forms by embodying within them the oldest principle underlying all human groups - that of community.

The very word "community" holds the secret. Its essential meaning is men who are in communion with one another, who communicate with each other. Both equality and authority are implied. All are equal regarding their right to communicate their thoughts and desires to the others. All are subject to the authority of those principles and control-rules that are both the basis and the means of maintaining the existence of the community. Large or small, community means a sharing of and a participation in that life that men share in common.

Without the minimum existence of some kind of community, (some essential forms of group self-regulatory information and control systems) man does not even become a conscious individual. Left completely alone the human child is without language, the sense of saying or thinking, "I am a man, different from other men."

But community is the most fragile of all systems. Break down either belief in its authority or respect for the rights of its individual members and a family becomes a group of people at each other's throats; an army, a band of armed animals; and a nation, a collection of lonely, powerless individuals either ruled by brute force or else simply disintegrating as a group. The key everywhere is the will, the sense and the ability of men to communicate with one another.

Thus it is with interest and alarm that we listen to the automation engineers who inform us that the new "production processes do not have to be designed to take into account the human limitations of a human worker." But the information contained in this statement contains, as the communications engineers would say, too much "noise" in it. It obscures the full content of the meaning of automation. It is ambiguous. And in that ambiguity lies the danger of failing to develop the controls necessary for automation to become a workable system.

The "noise" we are referring to becomes clearer when we turn to objective reports of what is happening in actual automated factories and offices now in existence. The static noise is both from machines and men - machines that are halted in order to correct human errors and human hearts that beat faster in nervous anxiety.

For, you see, there are a growing number of cases in which an automated system of production or processing is set up only to discover that in the particular circumstance some vital factor was overlooked so that the whole system has to be scrapped. But it is in the ambiguous reports of the workers and supervisors in automated factories and offices that we come up against the real underlying static in the system.

When you ask the question: "Are you happier in the automated operation than you were in the old setup?" - You just don't get a simple clear answer from either supervisors or workers.

"Well yes, I am," they answer at first. "The work is less dirty and tiring. The pay is higher, and in a way I get a chance out of what I am doing. You see, I'm not merely a dumb dodo pushing buttons. I know more of what's happening now than I did on the old assembly line. It's a terrific responsibility, my job. And I take pride in my new sense of responsibility."

But then a troubled look will come into the guy's eye and

he will say, "But the one thing I miss is the joking and horsing around of the old work crew. Each of us is more isolated from one another now. And the big brass - Now they're breathing down your neck half a dozen times a day. It's not like the old days. Then you could make half a dozen bloopers and it either didn't matter very much or else nobody would even spot them. But now! One wrong move and it's a fifty thousand buck loss in production. I guess that's how come it seems like when work is over I'm just as tired as in the old days. Only now it's a mental exhaustion."

The supervisors breathing down the neck of Joe worker - And the engineers breathing down the neck of the supervisor - And the board of directors breathing smoke and fire down the necks of the engineers... No need to take into account the limitations of the human being? Removal of a vast number of human limitations? Yes! But automation has only made the human factor more important than ever!

It does not matter a tinker's damn how many middle levels of management automation eventually wipes out or even whether a single engineer is someday left alone before the dial of an electronic brain - the human factor in production will grow, not diminish in importance. The mental condition, the degree of nervous exhaustion of every man or woman in an automated operation is now more than ever a factor of production efficiency.

Automation will thus demand that everyone involved be given participation in the human information and control system that will be the social counterpart of the technological information and control system. A refusal of men to meet this demand will mean the continued existence of bugs in a system where small bugs can in a matter of months, days and even minutes, bring everything to a crashing halt. And make no mistake about it, participation, to be effective, means not only access to information but also "feedback" - the means of control in every part of the system. Not only must the engineers convey a total understanding of the system to the worker, but the worker must possess the means to make known his reactions and to correct the overights of the engineers. The old "revolt against the bosses" line? But the brief experience of the automated plants has shown that the closer the human situation approaches the old idea of community, the more efficient does the plant operate, the more the anxieties of the supervisors and bosses and workers alike are reduced.

But what holds true for the social group directly involved in production holds true for every social group in our society. Between the larger ends of our civilization and the individual there must be a revitalized series of information and control devices. Once again traditional community forms such as the family and neighborhood must assume a central moral and psychological function in the life of the individual. Automation's impact will be so sweeping and deep going that every resource of community in American and world society must of

necessity be mobilized. From the moral training of the child to international economic and political relationships automation will create a single imperative - the growth of a more integrated flow of information and hence decentralization of social control.

But the paradox is that this will mean the strengthening and growth of community and an eventual liberation of community from those forces now at work disintegrating it.

3. The Liberation of Human Thought

Thinking (information and control) is the crucial mathematical plus or minus sign that enters as the middle term into the automation formula of which technology and community are the two quantities confronting one another. The electronic brains of the automation revolution will, of course, extend tremendously the reach of man's thought. But the real revolutionary advance in human thinking must be achieved by all of us and without a single mechanical aid, not even a pencil. For automation to succeed a father must train his son to think and function in the manner of a battle experienced member of an infantry squad or like the guy holding down second base for the New York Yankees. He must be made to see how the team of humanity and the world functions as a whole, of the importance of every role, of its interdependence with all of the others. His thinking must be rooted in the realization that his greatness as a player, as a human person will be won only by playing the game in such a manner that all will win through together and share in the fruits of victory.

The growth of scientific and technical knowledge in the mass of mankind will not of itself perform the key function in the automation formula. Nor will turning out more scientists and engineers bring us any closer to the answer to the challenge posed by the electronic brain controlled technology. Machines are only machines. It is up to men to decide how to use them. What is required of the scientists and engineers, what is required of businessmen, labor leader and of all of us is a radical break with the mystical idea of the past that if each of us takes care of his private interests, the common interests of all will eventually be achieved. We must begin with a heightened consciousness of the needs of the other participants in the information and control system and with the workings of the system as a whole. And from there we must think back to our work and responsibility in the world.

And our thinking must be creative, prepared to pull together all that we know and to constantly apply it in a new

way. At the present time the lack of this creative kind of thinking is one of the bottlenecks present everywhere in our society, even among our scientists and engineers. Specialization among our technical experts has ended in a dead-end alley. cramming the contents of a thousand textbooks on electronics into the head of a student does not automatically produce a "systems Engineer." Such men must integrate knowledge, not specialize in a small segment of it, and each integration must be made of different kinds of knowledge in forever new circumstances. Today such men are extremely few in number - and at a time when a lack of such men can mean catastrophe. And from running the government of our nation to running a family we are confronting the same crucial problem.

But how does one produce creativity? Creativity is the least known quality or dimension of the human mind. What little we know of it is that it is nourished by courage, love, imagination and freedom and not by fear, oppression and hate. But those too are all relatively little understood words. And yet the automation revolution is implacable in its demands. We must grow as men and women or go down to defeat at the hands of our own creation...

Thus it is that the Automation Revolution looms so large in its epochal importance in our systems philosophy. We began with the integral unity of the isolated atom of matter... and discover that at the far end of growing interdependence, the climbing circle approaches on a higher level its beginning point. Once again the unity, wholeness of the individual comes to the fore in the imperative demand of the Automation Revolution for the integration of the individual human person!

But what of the economic meaning of automation? In ranging across the whole spectrum of the universe of thought actually we have been talking about the very essence of the economics of automation. However, let us briefly turn our attention to the immediate economic context of automation.

Given an economy with a healthy rate of growth and full employment, automation will mean a surge forward; rising levels of productivity, reduction of costs, the rapid elimination of poverty and human drudgery, a rising standard of living together with increased leisure and the means to turn that leisure into a life rich with human possibilities.

Given our present stagnating economy with its depressed areas and dangerously high unemployment and pockets of poverty and misery, the increasing automation of our society could mean: mass unemployment, a hardening of our economic arteries into a permanent condition of stagnation, political upheavals,

social and personal disintegration, the danger of a depression with its corresponding impact on the unstable international community, in short - disaster. And with the all too real spectre of Hiroshima rising over the destiny of all mankind.

But to understand the dangers as well as the promise of automation in the coming decade we must turn to a consideration of the attempts of our American leadership in coming to grips with the meaning of the spectre of automation.

II The American Community and the Association of Nervous Robots

It is one of those strange ironies of life that when machines break down they seem more human. When the old jalopy is gasping its last we either get mad at it or nurse it along with an affectionate pat on its hood. What makes us think of it as a person is that it begins to behave in an unpredictable manner. But when a human being approaches a nervous breakdown or when he has become a happy coat case at the funny farm, man begins to act like a machine. A little thing goes wrong and he blows a gasket or gets out of gear. Get him into a tense situation and he chain smokes, drums his fingers with a mechanical rhythm, or does the same thing over and over again. And once he goes over the deep end, the needle point of his mind becomes stuck in one groove with all of his thinking becoming rigid and mechanical.

And the same thing holds true of groups of men who are going to pieces together. Suddenly everyone starts going by the book; the rules become all important. The theory of the system, they start thinking, will hold the group system together. Society becomes a mystical machine that will work everything out. Eventually a few key parts begin to feel the concentrated strain engendered by the cludgy, nervous functioning of all the other units of the system. And when it dawns on the head of a family, a squad leader or a pitcher that the whole game depends on him, he gets nervous and for time and energy's sake he starts issuing mechanical orders on when nooses should be blown, how each man should move forward and whether the outfield should shift to the left or right. And if things get worse he starts fooling around with the resin bag, knocking the dirt out of his cleats... Until he freezes up and develops a cramp or else blows up.

In the meantime the rest of the team (also getting nervous) begin to rely more and more on orders from above and to become more indifferent towards their own jobs. And comes the big blow-up, sure as hell someone gets all shook up and starts yelling: "Down with the bosses! Drop the bomb! What we've got to do is lynch the niggers! It's our only answer!" And the group becomes a blind, mechanical mob with animal fear and rage replacing the discipline of human community.

Yes, it happens everytime. The thinking of both individual and group becomes more mechanical and less able to take into consideration information coming from outside its small area of functioning. It isolates rather than integrates. It repeats itself as if the repetition of some meaningless formula or action contained all the answers. The logic gets tighter and

more rigid but only at a terrible cost - More and more assumptions must be made that one knows with mechanical certitude something which cannot possibly be known. And when that happens the chances of a breakdown begin to multiply rapidly.

But when we come to trying to fix the blame for what went wrong we deepen the mental confusion by saying it was with this or that individual or group within the system that all the trouble started. When a child starts off on his way into the world of mental illness by saying to himself, "Nobody loves me," the real trouble may be not with the child or a particular parent but with the self-regulatory information and control system of the family in that it did not provide the means of communicating the child's need and the love of the parents to each other. And if that family system is part of a larger system that demands too fast and nervous a pace for the family or contaminates the family's information system with sick ideas or misinformation, then the trouble is to be sought in the functioning of the society about it. But in the long run it is true: All must share in some small way the blame for the guy who ends up in a padded cell or in a high political position echoing the words of Shakespeare's crippled killer king: "I am myself alone."

The moral? Let us be on guard against mechanical thinking for it is a sure sign that community is breaking down and that the human self-regulatory information and control system is developing bugs in its operation. Mechanical brains are only inefficient imitations of the human brain and not models of the way the human mind should work.

This digression into the ins and outs of the psycho ward is no digression. For, as we shall see, it will prove invaluable in understanding the thinking of both the rank and file American citizen and his leaders, be they businessmen; labor leaders, politicians or intellectuals...

Now, it is no accident that in advanced forms of economic thinking modern economists resort to mathematical systems of differential equations similar to those used by the designers of automated machine systems. An adequate understanding of the economy of a modern industrial nation demands that the economy be seen as a complicated system of interdependent feedback processes. Each industry, every kind of individual economic action, consumes the products and services of other sectors of the economy and at the same time supplies its own products and services to them. The periodic booms and recessions of economic activity have the same function as the oscillating feedback behavior of the old fashioned engine governor... And thus, once again, we have a hold on the red thread that untangles all complicated knots.

The level of economic activity depends on the rate at which goods are bought. The goods involved are two kinds: consumption and capital goods. Consumption goods are roughly what we, the consumers, buy to satisfy our needs and desires. Capital goods are what businessmen buy to either maintain the production of consumer goods or to expand production through new plants and machinery. The rate of investment is nothing more than the rate at which capital goods are bought.

Now, the money available to buy both kinds of goods is not automatically provided by the wages and profits disbursed in making them because normally some of this money is saved. The system, in other words, would run down and stop if it were not for the steady injection of extra demand in the form of new investment. Thus, looking at the process as a whole, we find three interdependent sets of feedback mechanisms:

1. The level of economic activity and employment depends on the rate of investment.
2. The rate of investment, however, depends on the expectation of profit which is dependent on the trend (both present and expected) of the level of economic activity.
3. But as the system grows in size and complexity there is a growing need for new and better information and control devices: A family begins to plan more carefully its budget of income and expenditures; a businessman develops new techniques of market research and economic forecasting; government accumulates more statistics on the total process, and like the consumer and the capitalist attempts to time its policies to function in a more efficient feedback manner.

Now in all this it matters little if the system moves closer to either a truly free market capitalism, a government planned welfare state or even complete socialism -- all such systems would be confronted with three long-term developmental trends inherent in any industrial system:

1. The increasing size and complexity of the economy;
2. The growing interdependence of all of its parts;
3. The growing need for decentralized information and control devices in the system as a whole.

The history of both socialist and capitalist economies prove that both systems can at times break down. In one it can mean mass unemployment; in the other it can mean mass starvation. Both systems, in other words, are faced with a single problem: that of developing information and control devices that keep pace with growing size, complexity and interdependence. The failure to do so means a loss of knowledge and thus control over variables that grow in both their unpredictable behavior and their impact on the efficient functioning of the total

economic system.

The "liberation of thought" was not an empty phrase. What is on the immediate horizon is a science of economics that rises above partisan group interests and the conflicting ideologies of socialism and capitalism. But there is nothing inevitable in the rise of a new science. It can remain buried in obscure mathematical formulas while half a hundred voices in the market place continue to cry: "The universe revolves around us! How can it be otherwise?"

But if reason refuses to confront the reality of automation or any reality, then reason itself begins to retreat. It grows more brittle and mechanical. But beneath its cold veneer of rationalism fear, rage and primitive mental reactions grow like a cancer. Dreams must be silenced, magical powers resurrected, and sorcerers and their apprentices must scurry about to exorcise fear and doubt by magic rituals and slogans. Impossible to believe in this day and age? Let us examine, then, the reactions of our American leadership to the spectre of automation.

1. The Killers of the Dream

In the pages of "Life," a magazine that once celebrated the coming triumph of the "American Century," one of its editorial writers informs us that: "As things are now, something's got to give. The American dream is outrunning its potential..."

But after sifting through the host of accurate observations, insights and quite reasonable proposals one comes to what is at the heart of the thinking of the publishers of "Life." "Automation, though generally a blessing, can mean a waste of resources when it replaces labor that could do the same work for less." Moreover, as Mr. Jeeup observes: "... gains in productivity through automation are no cure-all for the sluggishness of the economy as a whole. For one thing, these gains are very unevenly distributed, seasonal in agriculture, volatile in manufacturing, almost invisible in the service trades. Yet the service trades are the fastest growing part of the economy as far as new job opportunities are concerned."

In this approach automation is rejected as containing the answer. Economic stagnation takes the gloss and promise off the new technology. So far the Life magazine observer has half a grip on reality. But then comes the answer of Mr. Jeeup and the American business community:

"whichever explanation of this torpor is accepted - the shift (of labor) to the service trades or the squeeze on profits - the role of wages in maintaining the present recovery is obviously crucial."

The problem is how to increase investment. The solution proposed is to increase profits through a twofold attack with one result - the reduction of consumer buying power. The "extent of union monopoly power over wages" must be broken by government action. And welfare spending by the government must be coldly scrutinized, thus reducing taxes on profits.

But the growing size, complexity and interdependence of the American economy renders this once reasonable and partially correct answer into a mechanical reaction of a small group of men who out of fear must restrict the freedom of the American Dream. "Everything depends on profits," they think. And to maintain confidence in their reasoning they must immediately assume absolute knowledge of something they cannot know. Increased profits and investment will rise. The rise of investment will not only take up any slack in the decline of consumer power but will in the long run boost consumer spending. With the rise of investment the American economy will regain its proper rate of growth. What could be simpler?

The answer is that it is not that simple. Three variables are overlooked, and are all assumed in their functioning to operate in a knowable and certain manner.

Will increased profits mean a rising level of investment? Yes, but in the immediate short run (and in complex information and control systems the "short run" can be extremely important) isn't there a possibility that some of this increased investment will rush into the profit-certain, booming economies of Europe and Japan?

Will the rise of American investment take up the increased slack in welfare and consumer spending? But isn't there a likelihood that in the short run increased investment will tend toward the profit-certain, labor-cost reducing automation rather than automation aimed at expanding production?

Will the American economy, in fact, regain an advancing growth rate through such investments? Is there not a possibility that the social cost of labor displacement under such conditions will (in the important short run) further undermine the demand for goods on the part of the consumer? And once again - In this important period following the release of government and labor restrictions on profits, will investments in automation move toward an expansion of production and lower prices? Or will growth of plant capacity and price policy be subordinated to the quick, short term profit gains that can be achieved by labor saving modernization? As Walter Reuther observed before a Congressional Committee:

"One of the ominous signs of the future is that business itself is looking at automation, not primarily as a road to growth, but as a road to cutting labor costs and so cutting employment for a given volume of production. The annual McGraw Hill report on planned capital outlays, published in Business Week of April 30, 1960, shows that the share of business expenditures planned for modernization is increasing in proportion to the share planned for expansion of production facilities. Normally this development occurs during recessions, but not in periods of upswing."

In short, the big business argument of the "Life" magazine writer, while making sense to the short run interests of the businessman, ignores the growing importance of sets of variables of unknown and dangerous dimensions in the total functioning of our economy. But more important, by subordinating the social and political functions of the American community to the single information and control device of profits, the leaders who embrace this line of argument threaten to become the killers of all the creativity and power of the American Dream - A dream which they fear "is in danger of outrunning its potentiality."

2. The Forgeron's Apprentice

All of our American leaderships face a common set of interdependent problems. Their thinking must emerge out of a threefold tug of war. They must confront the issue: they must counter their leadership claims against the counter-claims of their opponents and they must justify their leadership to both their followers and their own consciences. It is obvious that given the weaknesses of human beings the sources of anxiety are many.

Confronted by the partial truth of the business community, the labor leader rushes forth to defend his own position by emphasizing the other side of the half-truth of the businessman. "Unemployment," they answer, "is the very real threat posed by automation in the present context of economic stagnation. And if we fail to create the necessary consumer demand, we fail to solve the unemployment problem." The answer is therefore the 35 hour week with no reduction in take-home pay and increased government welfare spending to reduce those social costs of dislocation that cannot be handled through collective bargaining between capital and labor. If consumer demand is strengthened the level of investment will rise and economic growth will be assured.

To the credit of many labor leaders the slogan of the 35 hour week is lacking in that righteous sense of conviction so prominent in the pronouncements of the National Association of Manufacturers. It is as if they unconsciously perceive the three variables whose new and unknown dimensions undermine once certain truths of the old battle cry of "More Pork Chops."

The first unknown variable is whether the American consumer is interested in more pork chops. The increasing trend of consumer spending is away from buying hard goods toward increased expenditures on services. In the short run, isn't it likely that more dollars in the pockets of the American public will mean increased spending on education, travel and other services, and a relative decrease in the buying of durable goods?

The second unknown variable is the extent to which the 35 hour week will become the rule of the land. In those highly organized industries that will feel the sharpest impact of automation on numbers of workers, the struggle might be won. But what guarantee is there that in the unorganized service trades the unions will carry the day or organize the unorganized or even hold their own? Negro discrimination, the rough handling of the rights of the individual and the failure to come to grips with the immediate problems of the unemployed have not exactly endeared the unions in the hearts of the unorganized service trade worker.

The third variable turns on the declining power of the labor leader to mobilize other segments of the community around his program. Is it not likely that with decreasing membership and militancy (brought about by automation of the production industries) the labor leader will be less able to deliver the votes essential for an impact on an administration sensitive about its reputation of being anti-business?

For some leaders of labor the slogan of a 35 hour week will be nothing more than a gimmick of conscience - an effort to hold off that ghastly cry of "sellout!" that has haunted them from the days of their stormy youth. For others the shorter work week will be the only intellectual reaction they have left in a world that has grown beyond their understanding. But for those who are acutely aware of its limitations as an answer, the absence of any other answer will lead to a surrender of initiative and thinking in favor of an increasingly nervous dependence on the magical powers vested in the executive branch of the government. And thus the powers granted to them by the once victorious advance of the American Dream will be exchanged for rolls as sorcerer's apprentices hovering about what they believe to be the omniscient power of government.

3. Power and the Magical Cult of Personality

Whether it is the executive office of our American government or the most totalitarian Politburo, there are inherent limits to the centralization of information and control in any system, natural or man made. A belief in the unlimited powers of government is a belief in magic - and very black and obscure magic at that. It begins with a surrender of responsibility and ends with a few men or a single leader attempting with the wave of a cloak and dagger to remove unpleasant realities or to master a complex universe of problems with the power of positive thinking. But 1984 is still a few years ahead. The problem today is the inadequacy of the information and control devices of government in relation to the responsibilities it is forced to shoulder.

Given the most resolute, far sighted and intelligent man as our president, he and his government would still be confronted by economic, political and ideological limits that would severely restrict the most astute information and control executive system. Certain questions or solutions to problems today are either taboo or beyond the range of the prevailing intellectual systems of thought. Great hunks of our tangled web of political forces cannot be budged on certain issues beyond a few inches. And the economic system has grown beyond the capacity of any one central governmental agency to either understand or control it in a comprehensive manner.

Full employment, stable prices and rapid economic growth are today the recognized objectives of the American government. The three instruments of economic management in the federal government's hands are: 1. How much the government taxes; 2. How much the government spends; 3. How much money the Treasury and Federal Banking Reserve system keeps in circulation. Complicating this picture however are two additional problems: 1. The balance of payments problem of the international economy; 2. The economic burden of the Cold War. According to the experts the demands made on governmental controls by these two problem areas have already created several dilemmas in the functioning and aims of existing controls. But we may for our purposes ignore the unfolding dilemmas of national economic policy and simply observe how (in contrast to labor and capital) the government, by being saddled with a threefold information and control problem, is confronted by a ninefold uncertainty factor. Let us, however, center our attention on only three broad problems involved in existing controls.

1. Timing - As in the information and control systems of automated machinery the speed and timing of functioning governmental feedback mechanisms are of extreme importance. Thus it is with interest we read the conclusion of three top flight

economists of the Brookings Institute: "We do not have precise indicators of danger points in the changing flow of income. Therefore it is frequently difficult for public officials to decide when to use new policies." But with the increasing interdependence of economic activities the timing of governmental control measures can become crucial. The choice of proper timing and the choice of proper methods, our trio of experts conclude, "will always be major problems in economic stabilization."

ii The problem of over-all or aggregate controls - The problem of all such controls, including those three governmental economic controls cited, is that they tend to influence the total quantitative functioning of a set of variables rather than a particular situation that may be causing trouble. It is for this reason that both nature and the engineer have emphasized decentralized controls in systems. In addition, the statistical evidence that must be had to prove or disprove the validity of the application of a specific federal control policy is simply not available. And although the situation in this regard is steadily improving, with advances in governmental information gathering, the complexity of the variables involved together with the degree of their interdependence is also advancing.

iii The economic limits of federal power - The problem of how much the government should spend and how much it can spend is something the experts might argue about until doomsday. But somewhere in the great unknown of the workings of the system are undeniable limits as to how much the government can or should spend without impairing the functioning of the system. The flow of the total social product of the American economy between labor, capital and the government is a complicated process and becoming more so as the government's role or share in the process grows ever larger. The unknown variables increase in an ever more precariously balanced system of interdependencies, with an increasing number of unpredictable factors entering into government spending, factors such as the in and out of the clash of domestic politics, the demands of the Cold War, sudden crisis situations, etc. In the past it was believed that everything would be worked out through the countervailing forces of labor, capital and the government. But now it is becoming obvious that checks on the powers of such forces might also mean a deadlock that can upset the adaptability of the ever more precariously balanced system of economic information and control devices of our system.

The man in the White House, however, cannot avoid the growing problems of information and control. He simply cannot duck the issues. "But what is one mortal man to do? He's got to say something. And so he says, 'The major domestic challenge of the Sixties will be to maintain full employment at a time when automation is replacing men.' And then he says

it again. And when the issue once again raises its head - he says it again.

But the president must act. The lines of the unemployed are growing. And so the president pushes through a retraining program which he realizes is inadequate and which he knows leaves unanswered the question: retraining for what new jobs in what kind of an economy? But the president must act and so after each new crisis appears - he acts.

What else can he do? He knows what the trouble is: lack of information on the future impact of automation. Okay. And so he appoints a commission to study automation. And do you know what that commission recommended? Yeah, a whole mass of outlines for more study, more commissions to gather and evaluate the meaning of automation. It is obvious. Eventually the president will have to appoint a commission to study all of the commissions studying the problem of automation -- we are not being funny or nasty - what else in the given circumstances can the president do or say?

And thus there arises a cumulative vicious circle. As the complexity of our economic problems grows, our existing federal information and control mechanisms become less adequate. The demand for more centralized controls is therefore raised, bringing into play all the conflicting interest groups of American society. For as the government is forced to increase its powers it becomes less possible for it to remain an abstraction, a neutral third party. The demand for a "national wage policy" or for the government to assume more of the functions of collective bargaining immediately raises the terrifying question: "What guarantee is there that a concentration of power means a concentration of omniscient intelligence and control? Into whose hands is such sweeping over-all power to be placed? And in a society where more and more men look out on the world from their limited apacial interests who will be able to rise above the babble of voices to speak and act on behalf of the interests of all in common?"

4. The Highbrow Robots

Now, one would think that intellectuals, those men and women who make their living by thinking, would be just the ones to step forward to speak for all. But intellectuals, like all the rest of us, got their troubles too.

As a small group of starving writers and underpaid professors with their roots in immigrant slum neighborhoods and

small town America, they had a sense of community among themselves and with the rest of us. They had moved into the world of big words and ideas, but they could still speak our language or at least understand our problems. But as our society became more complex and the services of the intellectual came more into demand, being an intellectual meant that you were as much a part of the rat race as anyone else. You had to compete for high paying intellectual jobs, and move and think more and more in a world of fragmented, specialized intellectual skills and knowledge, cut off from the world outside the walls of the university, the editorial offices of publishers or the research departments of capital, labor and the government.

Confronted by a vast growth of human knowledge the individual intellectual found that he was less able to tie it all together, let alone understand it all. And if by chance he ran into one of us elope from the back room, that confrontation would really unnerve him. "You're a brain," we would say. "Tell us how come the world is in such a mess." And the guy would blush, stutter a bit, puff on his pipe and put together some big words that when translated into plain English meant that the mess was a very complicated mess and that it was a very big problem - All of which would cause most of us to yawn and the nasty mouthed guy in every crowd to mutter, "Phoney." and with that the intellectual would make a nervous bug-out to a more congenial atmosphere.

The nervousness of the intellectual has its origin in three problems. First, he realizes that he really is a phoney compared to the intellectuals of the past. He just can't tie things together in a neat round ball anymore. Second, he is unable to communicate what knowledge he does have to the boys in the union hall. His specialized knowledge has become all wrapped up in a private language that even his fellow intellectuals have difficulty understanding. Third, even though the young college kids hang on his every word, deep down he realizes he has become a small cog in a big operation over which he has little control or even much understanding.

But of course that doesn't stop him. He can't let it. Like the rest of us he has to go on justifying his existence and trying to maintain some shred of self respect. But for a nervous intellectual this means coining bigger words and more complicated descriptions of life to impress the college kids and his fellow intellectuals - along with sudden, desperate, blind attempts at convincing himself and other intellectuals that he has his ~~finger~~ finger.

"Conformity!" he cries out. "The trouble is we are all organizational men... It's our mass society. We are being drowned in the mediocrity of the masses... It's the crass, materialistic philosophy of the American businessmen... It's creeping socialism... It's subversive ideas and values of communist agents in our universities... It's a lack of culture

and education... It's replacing religion with a worship of science and machines... It's the nuclear bombe in the hands of power hungry militarists."

But the strange thing about all these big answers of the intellectuals is that they isolate the intellectual more than ever from the world about him. The trouble with every one of these answers is that they cut off parts of the American community from a calm understanding of how it thinks and feels. There are, after all, generals who hate war; businessmen who believe making a buck is not the meaning of life; men and women who are too busy making ends meet to go to night school or even read a book; scientists who pray to God every night, and religious leaders and a lot of men of good will whose idea of conformity embraces individual freedom and independence of thought.

In the history of man the truly big answers have been those that touched the hearts and reason of all men, that brought about a growth of community and understanding. In those periods of growth the intellectuals stood in the leadership of mankind, speaking the language of Everyman.

However, in those periods in which the world, nation and community were in a process of disintegration, the intellectual proved the weakest link holding together the community of man. More than that - In such periods under the strain of the times he was the one who came up with the ideas that inflamed men against one another and accelerated the breakdown of the information and control system of society. And if he had no taste for such lucrative but dirty work, he often gave way to a more terrible temptation - He withdrew from communion with his fellow man, retreated into his small private world, stopped thinking about the world, and thought over and over again: "Ah, what fine, noble thoughts I have."

But there were times in American history when our leaders and intellectuals were not an association of nervous robots. There were times when the intellectuals were rooted in community with their fellow man, like that brain who stuck his neck out and wrote: "We hold these truths to be self evident, that all men are created equal, that they are endowed by their Creator with certain inalienable rights..." And then there was that funny old egghead, Ben Franklin, who between playing with kites in electrical storms, came up with the idea that the citizens of Philadelphia could use a cheap newspaper. And even in the memory of a lot of the guys in the union hall, back in those days when intellectuals were pumping gas or on the W.P.A. -- Every other morning you would find them at the factory gates passing out leaflets telling us all about the American dream. They had a lot of screwy ideas, to be sure. But once in awhile they would come up with one that made sense. However, the important thing is that they wanted to argue things out with us; they wanted to communicate with everyone. And whatever else you said about them, you just couldn't deny their guts.

And today? Where are those young intellectuals today? And what do they think about automation?

They are scattered all over the map - writing TV commercials, long winded studies on the international situation and the sex life of the Pimple Rat. But mostly they are talking to themselves in highbrow magazines, in half a hundred committees, or on their Peace marches.

Automation? More has appeared on that subject in "Life," "Look" and "The Saturday Evening Post" than in all of their private language poop sheets from the Beatniks of San Francisco to the Think Big clubs of Harvard. The avant garde intellectuals simply are not thinking about automation.

When their thoughts do stray near the subject, what they have to say somehow just does not warm our hearts. "All that leisure of the age of automation... How will the poor dumb slobs be able to stand it? A mass nervous breakdown - that's the meaning of automation!" Or: "Machines will make man obsolete. The common man is finished. In fact, thinking or any kind of human creativity will be finished." Or from the ones with rose colored horn rim glasses - "Planning! Automation will require a planned economy..." (And when will everyone realize this?) "Yes the truth will soon automatically dawn in everyone's head." (But what kind of planning will it be? And whose head are you talking about?) "Once America sees the necessity of planning, then we planners can get to work..." (Doing what? Where do you begin? What specific planning measures do you propose?) "Yes, I wrote an article last week. And tomorrow I will write another pounding the point home. Automation will require a planned economy..."

Repetitious, mechanical thinking... Tight, irrefutable, logical arguments that must blindly assume knowledge of more and more uncertain factors than ever dreamt of in the wildest flights of imagination of the most demented witches and magicians who ever hovered over the bubbly brew of ignorance and superstition.

It is no wonder that the cult of personality has assumed such large dimensions in the life of the American community. As the heads of families, as citizens, politicians or intellectuals we have less and less to offer these days in the way of thinking and leadership. We have all lost our grip on the world about us with the consequence that all we have left to offer to the world in justification of our existence is our selves. We are good guys; witty conversationalists, colorful but with real character. We are realistic. Take the long range view, are really deep thinkers, polite to old ladies, kind to animals; each of us able to answer at least one small sixty four thousand dollar question with a mechanical, magic answer and smile -- and thus deserving of your applause, your confidence and love.

But it's no good. Alone with our selves in our three-in-the-morning thoughts, our hearts tighten with the terrible truth: we are failures, has-been phonies who signed a crumbly sweetheart contract for a bargain basement deal in life. Somehow, somewhere along the road we finked out on our American Dream. And now all of us are going to pot, everyone digging his own private bomb shelter, crawling back into dark cave nooks of a land that has been turned into one big, jerry-built "Finkville, U.S.A."

Yes, we have been rough on the bosses, the labor statesmen, the politicians and the eggheads -- But not half so rough as we have been on ourselves. Our tired out hearts and alcoholic blood all testify on our behalf on this score. But to every man comes the moment when he has to do the Guster's Last Stand bit. And for us guys in the union hall we believe that moment has now arrived. If the rank and file cannot come up with an answer on automation, then we are lost. For all across the board of American leadership it's a neck and neck drag race on the road to hell.

But we believe we have the answer - yes, a program of action that will not only stir the hearts of the rank and file of American labor - but a program that here and there (first a few and then an avalanche) can win the support of everyone from the Rockefellers to Walter Reuther, clear on down to little Caroline Kennedy. It's been a long time since we were really stirred by the drum beat, the tooting bugle and the brass band blare of a call to rally around the flag. But now we believe that we have a program that can do the trick, that can turn the tide.

Impossible, you say? Too big a load for the fogged up brains of a bunch of truck drivers?

Not crap! The teamsters always deliver the goods!

III The Road Into the Future

The problems posed by the Automation Revolution are immense and complex ones. Any program of action advanced by the American labor movement on the question of automation must not only lay down the foundations of the future but must also meet three interdependent prerequisites.

1. On the economic front it must overcome the stagnation of the American economy and break through to new growth.

2. On the social front it must establish a social information and control system that will either overcome the inadequacies of our present system or else, through the creation of new social forms, increase the efficiency of the prevailing system.

3. On the political front the program must be relevant. Not only must it be able to engender a crusading spirit among the rank and file, it must also be capable of either winning the support of every sector of American society or else, through its arguments, be able to disarm and blunt the striking power of its opponents. And above all, it must be easily translated into concrete proposals that are simple to grasp and put into action.

Our program, we believe, meets all of these important conditions. Although an understanding of any one of our single proposals revolves around an understanding of the program in its entirety, we believe that the whole of it could be summed up in three slogans:

Socialization of Automation!

Community Planning for Freedom!

Education for a New Age!

And now let us take these slogans one by one and see what they mean.

1 Socialization of Automation

Automation was the creation of no single man or group of men. Both as a way of thinking and as a new technology it grew out of all the creative strength and labor of the American nation. In the years ahead the health and vitality of our nation will depend on how we utilize this new revolutionary force. Automation, in other words, is a national resource.

and as such the responsibilities, the benefits, as well as its costs, must be borne and shared by all of us together. All of America must be given participation in the knowledge, use and control of automation.

On the local level we therefore propose that an integral part of every collective bargaining agreement between management and labor will be provision for worker and supervisor participation and control in the formulation of the rules of work. In both the raising and concrete application of this demand we are ready to both 1. insist on its priority over other issues of collective bargaining; 2. to acknowledge that it places new responsibilities on labor. Wage demands, in other words, may of necessity have to be geared in particular situations to the increased production cost such worker's participation and control might entail. But in shifting the emphasis from wages to work rules we believe that the horizons of the American labor movement will broaden and that its meaning for the individual worker, both organized and unorganized, will deepen.

Automation however poses other problems that can only be met on a national level. The revolutionary technological forces embodied in the concept of automation must be developed in all of their potential for lowering prices and boosting production growth. This means a creative research program beyond the present inherent limits of any one or group of corporate giants. It means making available to big business and small, to farmer and shopkeeper information on forms and techniques of automation that could be used to advantage in their operations. And since investments in automation will assume crucial dimensions it will also mean tax and fiscal controls that will, in a selective manner, channel investment into those forms of automation where guaranteed price reduction and expansion of productive capacity can be proven. In other words, the information and control device of profits must be checked and controlled by the additional mechanisms of price reduction and economic growth. Governmental research, aid and control along these lines will demand a national agency capable of enlisting and bringing to a focus massive non-partisan interest in overall economic recovery and growth.

We therefore propose the formation of a National Automation Information and Control Council composed of representatives of farmer, labor, capital and government appointed advisors. We would propose that such a body be empowered:

1. To initiate and carry out research into the development of automation and dissemination of the fruits of such research to all sectors of the American economy.
2. To propose and enact measures that would assure selective controls on the utilization of automation in a manner conducive to economic growth. Investments in automation above a certain level would thus be under the control of the Council. We do not believe this would

necessitate a bureaucratic deluge of regulations on business. In reality, it might mean no more than investment controls on 200 corporations, that 1% of American manufacturers who do 40% of total manufacturing business.

3. To advise the government and public on additional and broader over-all legislative and policy measures necessary for the equitable and accelerated advance of the Automation Revolution.

In defense of the feasibility of such a Council we would argue:

1. By confining its activities within the limits of furthering new investments in automation, it would engender an economic saving and mobilization of all of the resources of automation. It would disentangle several of the major problems of automation from the time and energy consuming jungle of legislative and administrative processes. It would increase the efficiency of existing information and control devices of the American economy. And more important, it would increase entrepreneurial freedom and effectiveness in tackling the problem of expanding production.

2. By placing the powers of the Council directly in the hands of labor, capital and the governmental representative directly concerned with production and the economy, it would spotlight more clearly, for all concerned, the common interests of the economy as a whole and the responsibilities of each party to the functioning system. It would remove those large, abstract issues of conflict that grow out of the accidental web of tangled limited special interests when they seek through complicated compromises in the political arena to arrive at a common denominator - such as the issue of "more or less government."

3. Politically it would lift out of the swamp of obscurity and indifference such issues as our role as a nation on the international economic scene - and reduce a few bloody partisan battlegrounds (such as taxes) to selective problems on a more non-partisan scale. In brief, the existence of a National Automation Council would bring about new and more meaningful political re-alignments of the American community, but re-alignments that would strengthen national community and formulate more sharply goals and values shared by all.

II Community Planning for Freedom

If one thinks through the implications of our demand for the "socialization of automation" one will come up against a surprising conclusion. The "socialization" proposed would introduce one additional governmental control aimed at encouraging investment in certain kinds of automation as opposed to others -

But it would free the private entrepreneur from the prospect of a planned economy or from any new wage and price controls that would radically change the structure of our society or economy. It would mean a "socialization" that would stand as a bulwark against "nationalization" of property and other decision areas.

However, economic planning does have an indispensable role in our program. But it is a planning that in its conception is the very opposite of that planning that dominates the thinking of either Welfare State theoreticians or socialists. Instead of centralized national planning, we propose an autonomous form of local planning. Instead of a planning that directs and controls the commanding heights of the economy, we propose a planning that organizes the creativity and capital resources of the small businessman and the local community.

In short, we propose the formation of Regional Economic Councils. The size and geographical lines of such councils would follow the natural lines of the economic region. In some cases it could mean the pattern established by some dominant heavy industry; in others it would embrace the area of some common economic activity such as dairy farming. In some cases the jurisdiction of the Regional Economic Councils would coincide with local governmental regions; in others it would cut across State lines.

Again, as in the case of the National Automation Council, the most important consequence of the Regional Economic Councils would be to lift out of the tangled web of conflicting local interests those over-all functions and interests that embody the long-term interests of the whole community. We believe that this could be achieved through three areas of activities, activities which need neither infringe upon nor add to the burdens and complexities of local government. These three areas of economic action would include:

1. Producer and Service Automation Co-operatives

Already in existence in parts of the country are so-called "Service Bureaus" that rent out to local manufacturers and business concerns the use of automated data processing machines. What we are proposing is the mass organization of local industries and small businesses to set up automation co-operatives. Such co-operatives would make available to the entire economic community techniques of automation that would be beyond the means of individual concerns and businessmen. We are confident that once the question of such a form of organization was raised, the engineers of IBM could come up with half a hundred new ideas for the use of their electronic brains in this new situation. But without any doubt, within well established capacities, it would mean lifting from the shoulders of the business members of the co-operative immense burdens: costs in time and money

of red-tape, paperwork, accounting, unreliable marketing techniques, inventory planning, etc. Many of the competitive tensions of small businesses would be reduced with a new growth of entrepreneurial freedom and opportunity - all of which would mean a renewal of that kind of healthy competition that would render restrictive trade and price agreements unnecessary and thus further the economic growth of both individual concerns and the region as a whole.

However to insure both the economic success of the automation co-operatives and their equitable effect on all of the economic life of the community, it would mean that every concern or operation that stood to gain would be guaranteed the right and opportunity to participate. This would mean that the task of organizing and of developing checks and controls would fall on the most significant consumer force in the community. And this would mean, in most cases, the labor movement.

2. Community Reconstruction Projects

With the hurried pace and pressures of life, with all of the energy consuming efforts to keep one's head above water, it is extremely difficult today for the small businessman to rise above his immediate interests to either an overall view of the economic interests of the community as a whole or to resist the temptation to further his interests at the expense of the community's.

Once in existence, however, the Economic Regional Council and its local chapters would provide both an arena and a means for the mobilization of public opinion and capital to meet important community needs. Juvenile delinquency, inadequate hospitals and schools, poor roads and public transportation, rural and urban slums - All are costly; all eat into the social capital available to a community through high taxes, decreased consumer spending and wasted resources both human and natural. The existence of the councils could bring these problems out of the distant offices of city and government planners into the thinking and grasp of the guy who owns the bar on the corner or the laundry down the street. And then together, through the Councils, these problems could be attacked in new ways that would mean a reduction of local and federal spending in some cases, and in other instances the bringing to a halt of community deterioration. The mobilized force of the economic community could cut through the waste of political graft, bureaucratic bungling and the tangle of vested interests, and solve half a dozen problems in a manner conducive to the economic betterment of all. Even one temporary Cooperative Construction Company to build a housing project for low income families would create ripples throughout a community, the benefits of which would be felt by every businessman.

It might even be that as more and more the Councils realized how much economic potential was contained in this approach, new re-organizations of economic life could be ventured. Eventually it might occur that cooperative forms in certain areas would be more advantageous to the business interests of the community than the wasteful and uncertain forms of the present. But if certain private interests were declared obsolete or of harm to the community, it would not be as a consequence of powerful blocs manipulating the electorate and government -- It would be in an open, democratic give-and-take between the consumer and those local businessmen vitally interested in the economic growth of the community as a whole.

3. Inter - Regional Co-operation

Gradually the scope of the Economic Regional Councils could broaden. Today national associations of druggists, grocers and dairymen join together to work for their common interests, sometimes for the benefit of all, but sometimes in ways that are detrimental to the economic interests of the consumer and other businessmen. We maintain that there are unexplored areas of co-operation between the small business interests of one region and another. We believe, for example, that the economic dislocations caused by runaway industries and the occasional geographical shifts of heavy industry could be softened or minimized through an equalization of regional differences of economic environment. In a low wage region, if the labor movement proves instrumental in bringing the benefits of automation to the small businessman and local industry, the business community as a whole will become more reluctant to hold out the enticement of an anti-labor atmosphere to new industries. Instead, the region may see that its true interests lie in attracting stable industries on the basis of the natural and social resources it can offer rather than unstable sweat shops whose long-term instabilities may raise social costs. The alliance of labor and small business, in other words, would introduce a new stability factor into local political economy. And in those areas where industries are leaving because of high wage costs - if the Councils can improve public services while reducing local costs and taxes, the inducement of lowered wage costs may prove less effective in its decision to remain or relocate.

III Education for a New Age

Even under the best conditions of a healthy growing economy the failures, the shortcomings of our American educational system would remain as an explosive potential source of danger to the Automation Revolution. Our educational system

represents one of the most overworked and inadequate information and control devices in American society. In brief, it suffers from a threefold breakdown in its functions.

1. It has failed to meet the emotional and educational needs of growing numbers of American youth. The most damning indictment of our school system lies in the fact that: "about half of the high school students in the upper 25 per cent of their classes do not attend college at all, and another 13 per cent drop out before they finish. All told, almost two-thirds of those best fitted to exercise scientific and technical leadership are not being trained to their highest capacity."

But what is it that really lies behind the "dropout" problem all along the assembly line of our educational system? To be sure, part of the problem is economic. But the fact that an increase of scholarships under a host of programs has not even dented the dropout rate proves that the trouble is not altogether one of economics. In the words of a number of experts the trouble lies in a "lack of motivation" on the part of the kids either now in school or entering the system.

As a sense of community fades on both sides of the tracks it becomes more precious to those who have known it and more of a desperate search for those who have never known it. As life in our schools becomes more and more of a rat race for higher grades in more meaningless subjects to win entrance into the exalted ranks of agency organizational men - the more fed up the kids get. They see less and less connection between what they learn in school and the skills that count in the world. It's personality and blind chance that they see as reaping the richest rewards. And between them and the old fashioned skills of doctor, lawyer and teacher what they see is the cultivation of a personality that can make the right connections by kow-towing and knocking oneself out in impressing others in a long, dreary struggle through Shakespeare, ancient wars and inept current events. But the egotistic rat race mentality is something that goes against both the natural grain and what a lot of kids have absorbed from their slob of a working stiff old man and from their church going mothers. The kids want work that requires real skills. They want the kind of respect that comes from brotherhood and community with others. And if the schools do not meet this need of theirs, they look for it with the gang on the streetcorner.

2. The educational system is also failing to turn out educated men and women who are prepared to deal with the world about them. Specialization and stick-in-the-mud educational routines are now busy turning out lawyers, business administrators and teachers whose skills, in a matter of a few years, could be either completely obsolete or completely inadequate in meeting the challenges of automation. And yet these same men and women are the ones who will be in positions of leadership and responsibility.

3. But more immediate is the failure of our educational system to keep pace with the personnel requirements of the technology of automation. In the near future we will be confronted with a crucial shortage of systems engineers, programmers, clear down to electricians, plumbers and repairmen. And all of this in a decade in which the experts tell us that 26 million young workers will enter the labor market and the labor force of older workers (over forty-five) will grow to 38 millions - both groups of which will be faced with the single problem of lack of marketable skills or obsolescence of old skills and knowledge.

Our educational system is a tangled knot, the strands of which are intimately tied up with every point of sludgy operation and breakdown of our American society. Raising hell with our educators would be a frustrating and tedious process. School boards are remote and unknown bodies of men. And the eggheads running our teachers colleges and educational departments are extremely unlikely to pay any attention to guys who were lucky to finish high school or even see the inside of a college.

Therefore, we propose that the labor movement act on its own to break out of our educational debacle. Our proposal is that in every state, in every region, the labor movement set to work building its own educational system. What we are proposing is the foundation of Labor Technical and Engineering Colleges built around a new concept of education.

The first half of the concept behind the Labor Colleges would be the integration of both teaching and subject matter around the emerging needs of the age of automation. Every part of human knowledge (mathematics, the physical sciences, economics, psychology, art and philosophy) would be organized around the need of turning out the systems engineer, technician and the well-rounded, creative citizens demanded by automation. As such colleges would be outside of the control and requirements of the existing public and private educational system, revolutionary innovations in teaching methods and organization could be easily introduced to cut short the waste of time and energy of the current educational systems. The students would move and learn in a world where the relationship of every bit of knowledge to the whole could be easily seen. And behind the whole would stand the prospect of meaningful and important work in transforming the world.

The second half of the concept of the Labor Colleges would confront even more directly the problem of "motivation" of our dropout students. The Labor Colleges could easily gear their program on a split level in a double sense. For those whose abilities and interests know no limits a complete five year course would be open, leading to a career as a full-fledged systems engineer. But for those who desired to drop out at any point along the way, they could leave with the con-

viction that after two years or so they had acquired technical skills and knowledge that would be of use in the world growing up about them.

The concept of the Labor College, in other words, would be built around the proven premise that in a system based on the ancient and true meaning of education, there would be no absolute "failures," and that in such an atmosphere the desire for learning would grow and flourish. Consequently, the doors of the Labor College would be open to high school dropouts and to those men and women who have found themselves in the "after forty" condition of the unskilled and unwanted.

In these times the failure to utilize the innate abilities of our mislabeled "senior citizens" is not only inhumane, it is a waste of our resources as a nation. Educational psychologists tell us that the learning ability of the forty-fifty year old uneducated person is superior to that of bright-eyed college freshmen. In the face of the shortage of trained technicians why not give these people a second chance?

The Labor College, in other words, would provide a first and a second chance to the sons and daughters and mothers and fathers of the eighteen million member American labor movement. But more important -- By establishing its own educational system Labor would be meeting an important national need of the years ahead. It would also mean a more integrated American community; for it would mean the emergence of new leaders of industry and society who could with greater ease rise to the heights of a vision that sees the American Dream in all of its completion -- Men and women who would be liberated from the intelligence and will crippling effects of the rat race mentality.

In putting forward our threefold program it is not our intention to minimize the very real problem of dislocation that we must confront even under the best of programs. Nor do we claim that our program will solve every difficulty.

But what we do maintain is that none of our proposals is forced to rely on non-existent knowledge of unknown, uncertain but crucial variables. And none of our demands infringe on the essential functions and rights of any major or minor sector of the American community. In fact, we maintain that our program will restore and renew the vitality of all of our leaderships and institutions. It will put an end to that helpless sense of drift and powerlessness that so pervades all levels of our nation. It will, we believe, engender the will and the means to soften the impact of the dislocations of automation and to meet in a new way both old and future problems.

But will our program be able to get the show on the road? Will it, in fact, solve our problem of economic stagnation?

It would seem on the surface that by rushing the economy into the age of automation, we are doing nothing more than accelerating the rate of worker displacement by machines and thus only increasing the horrible dimensions of the spectre of automation.

But we believe that if all of our demands were made a reality in a massive and immediate manner there would be set into motion a multiple set of trends that would, in a cumulative and accelerating fashion, bring about such an undreamt of degree of economic recovery and surge ahead that, for a period of years at least, would postpone the question of more leisure versus less production.

Yes, a full employment economy! And a society inflated, inspired with the possibilities of an increasing rate of productive growth that could reorganize world economy and dissolve the danger of totalitarianism and war with the material plenty and ideological messes of the Automation Revolution -- A world wide information and control system that would preserve national autonomy and freedom while integrating machines, society and thinking -- A Common World Market of ideas and goods in which all participate and share in the growth of freedom and independence! Yes, our revolution could be exported!

And in economic terms it will all begin by a price cut on Mainstreet, a growth in the buying power of John Q. Public, a decline here and there of the need for federal spending, a new or larger factory in Milltown -- Together, growing like an avalanche, if such small beginnings were made all over America it would mean the disappearance of a million old jobs a year, but also that men could stay rooted in their local communities and find two million new jobs that needed filling.

Okay, so where do we begin?

We begin in our local unions. We march into our half empty, haunted union halls and say:

"Look, before we're all pensioned off onto the scrap heap of old age or end up flat footed in front of the unemployment office, let's pull off a real corker that will put our names in the history books and have our grandchildren swell with pride everytime they look at our old sweat soaked union cards in gilt frames above the family fireplace.

"Here's a program that, if we push and fight for, will mean a New America, with us guys and our children having a real say in how that old ball of life is going to bounce. I tell you (and Brother, I kid you not!) it's up to us rank and filers. We've got to howl, we've got to kick up a ruckus and blast our leaders off their big fat lazy chairs.

"Automation! Yes, that's what this program is about. And Automation is the answer of that program. The road into the future can become a smooth, fast moving highway with a place for all of us at all of the stopovers along the way as well as at the end of the run. What we gotta have is: Socialization of Automation! Community Planning for Freedom! Education for a New Age! Now, let us explain those slogans one by one..."

The Teamsters is, of course, the one union in the best situation to launch a struggle for our program. It is a union present within every community. It is free of the feather-bedding mentality of the craft unions. It has few if any strings tying it to any political machine or bunch of intellectuals. And it is in a strong position to carry the message to the rest of the labor movement. And there is no need to upset the apple cart of any pie carder or business agent. All that the rank and file needs is its own machinery alongside of the old. And that is already in existence in DRIVE, the political action organizational structure recently set up by Jimmy H. We say, let's get going; talk up our program; get guys interested in it all along the road -- And then all of us get together and approach Jimmy with a dual: "Give us DRIVE. Let our program be its program. Let us put DRIVE into high gear as a force for the good of our union and our country."

And what does Jimmy get out of it? Hell, if he buys our program we will hold one mass demonstration after another demanding the appointment of Ruffa to Attorney General! Seriously, all of our leaders are looking for answers too. And if we can make ourselves heard, with our answers... must go on believing in human communication, in the inherent good will and reason of all men, while retaining a heightened consciousness and understanding of the limitations of all men including ourselves.

But time is running out on us all. If the Automation solution is to be victorious, we have to move fast. We must place on every means to see that our program becomes the program of the American Labor Movement.

But even if that seemingly impossible task should be achieved, there is one very real obstacle that may stand in the way of its realization. Some bright office boy at General Motors might look over our proposals and say: "Ah-hah! I see the catch! It's in every one of your proposals. What you are really proposing is a free, unfettered, automated capitalism which at every crucial point the labor movement and its leaders are still have the upper hand. Veto powers in the National

Automation Council; small businessmen organized by labor; and your sneakiest proposal - Systems Engineers trained and indoctrinated by Hoffa and Reuther! I'll see General Motors demoted to a private before I'll ever buy that bastardized socialist nonsense...."

Well, we might begin by trying to show our office boy friend that it's really not as simple as he's making it out to be. Participation does not necessarily mean domination, that it does mean, however, is a growth of responsibility for all who are participants. But even if it turns out to be a capitalism under labor domination -- How the hell can he squawk as long as our big say-so keeps the cash registers ringing all over the country? After all, in the days when the country was dominated by Wall Street there were a lot of unhappy businessmen, as nearly as many as under the domination of the economy by government bureaucrats...

The final objection is that the disintegration of the American community and spirit has gone too far for there to be any turning back. Some of the gloom and doom boys might argue that the rat race mentality has destroyed the last vestige of reason and community in wide and significant sectors of American society -- And that standing opposed to all the good sense and idealism of our program will be implacable and immovable social forces.

And our pessimistic prophets might just be right.

If that turns out to be the case - that in reality we are not one nation but two nations locked in mortal combat over the future of the American Dream - then our struggle and our program will be transformed into something new.

Our program then becomes a program of transitional demands, unrealizable in our present society, but a program of demands that will prove to millions of Americans in all walks of life that it is only Labor that can embrace the wider and nobler vision of the common good -- And a program capable of rallying half a nation and more to whatever course labor sets for the realization of that program. And yes, that would mean a Labor Government, with our boy sitting in the White House with the only incoming telephone calls coming from us - And yes, our guys on the Board of Directors of General Motors, with every single engineer and manager wearing identification badges that are also union buttons.

If need be we are prepared to embark on this dark and terrible road of struggle; for what is at stake is our most precious possession of self and family; our dream of America. And for that dream we are prepared to fight to the death on a hundred heartbreak ridges of history.

And so be it! With us or against us! Peace or war!
The decision is yours to make!

As participants in an American partnership of rich and poor, as brothers together, or simply as a handful of die-hard teamsters fighting the whole world -- our cry will remain as always the eternal cry of: "Solidarity! Solidarity Forever!"

ADMINISTRATIVE FILE
Automation
X
X

July 25, 1965

M. Parker Wheatley
Station KMOX-TV (CBS)
12th and Cole Street
St. Louis 6, Missouri

Dear Mr. Wheatley:

In accordance with your telephone request of this morning, I am enclosing an assortment of materials dealing with the subject of Automation.

I hope you find these materials helpful. Please let me know if I can be of any further assistance.

Very truly yours,

Abraham Weiss
Economist

AW/lm
Encl.

Please send me the free material on Automation
To You.

Bill Fanucchi
1513 W. Dayton
Fresno 5, Calif.
April 19, 1963

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ADMINISTRATIVE FILE
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X

Mr. Bill Fanucchi
1513 W. Dayton
Fresno 5, California

Dear Mr. Fanucchi:

ADMINISTRATIVE FILE
*Automation Request
for Phawletis*
X

August 27, 1962

C
O
P
Y

Miss Anne Foner
48-28 - 198th Place
Flushing 66, New York

Dear Miss Foner:

48-28 196th Place
Flushing 65, N.Y.

August 23, 1962

International Brotherhood
of Teamsters
25 Louisiana Ave. NW
Washington, D.C.

Gentlemen:

I should appreciate your sending me the pamphlet written by Abraham Weiss called "What Automation Means to You: A Summary of the Effects of the Industrial Revolution on the American Worker".

I understand this publication is free. If this is not available and if you have any other pamphlets on the subject, I should appreciate your sending them to me.

Very truly yours,

Anne Foner
Anne Foner

File ADMINISTRATIVE FILE
Automation
Oil, Chemical and Atomic Workers
International Union

RESEARCH DEPARTMENT
E. E. PHILIPS, DIRECTOR
H. F. THORNBURY, ASSISTANT
PHIL FRIEDER, ASSISTANT



P. O. BOX 2812
DENVER 1, COLORADO
PHONE: AMHERST 5-0811

July 16, 1962

Mr. Abraham Weiss, Economist
International Brotherhood
of Teamsters
25 Louisiana Avenue, N. W.
Washington 1, D. C.

Dear Al:

Thanks very much for sending me the Wyoming University publication
on automation in the petroleum industry.

This question of automation is really beginning to hit us pretty
hard.

Fraternally,

E. E. Philips
E. E. Philips, Director
Research Department

EEP:rv

WOODSTOCK COLLEGE
WOODSTOCK, MARYLAND

File
ADMINISTRATIVE FILE

Automation

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April 23, 1962

Mr. Abraham Weiss
Director of Research
International Brotherhood of Teamsters
25 Louisiana Avenue, N. W.
Washington 1, D. C.

Dear Mr. Weiss:

Under separate cover, I am sending two copies
of THE ETHICAL AFTERMATH OF AUTOMATION in which your chapter,
Labor and Automation, appears. Congratulations!

I hope that you will help us spread about news
of the book whenever and wherever you can.

Sincerely,

F. X. Quinn, Jr.

FRANCIS X. QUINN, S. J.

/Jh

ADMINISTRATIVE FILE

DAVID EBNER
304 H. GRAND STREET
NEW YORK 2, N. Y.

Automation

April 4, 1962

Mr. Abraham Weiss
International Brotherhood of Teamsters
25 Louisiana Ave., N.W.
Wash. 1, D.C.

Dear Mr. Weiss:

The literature I received from your office has proven invaluable.
I would like to thank you and the International Brotherhood
of Teamsters for the very valuable assistance you have given me.

Sincerely,

David Ebner

RECEIVED
MAY 1 1962

MAY 8 3 41 PM '62

U.S. DEPT. OF JUSTICE

RECEIVED

ADMINISTRATIVE FILE
Automation
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March 20, 1962

C
O
P
Y

Mr. David Ebnert
204 N Grand Street
New York 2, New York

Dear Mr. Ebnert:

Vice-President Gibbons has asked me to reply to your letter of March 13 in which you request materials on Automation. A set of materials is being forwarded under separate cover.

Among these materials you will find a statement by Mr. Gibbons dated April 12, 1961. Since this is our file copy, would you please return it as soon as it has served your purpose.

Please let me know if I can be of any further assistance.

Very truly yours,

Abraham Weiss
Economist

AWirk

DAVID EBER
504 H GRAND STREET
NEW YORK 2, N. Y.

March 13 1962

Mr. M.J. Gibbons, Executive Vice-President
International Brotherhood of Teamsters
25 La. Ave. N.W.
Washington, D.C.

Dear Mr. Gibbons:

I am a Ph.D. candidate at New York University and am writing my doctoral dissertation on the effect of automation upon the American economy.

I have turned to you as an expert in the field and would greatly appreciate receiving any published material relating to my topic and/or any relevant leads. A bibliography would be extremely useful.

Thank you for your kind attention.

Sincerely,

David Eber

[Handwritten signature]

ADMINISTRATIVE FILE

Automation

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March 28, 1962

University of Colorado Libraries
Boulder, Colorado

Gentlemen:

ADMINISTRATIVE FILE

Automation

X Quinn, Francis X. (Res.)

X

March 20, 1962

Francis X. Quinn, S. J.
Woodstock College
Woodstock, Maryland

Dear Sir:

Thank you for your letter of March 16th enclosing page proofs of the chapter on labor and automation written by Abraham Weiss, our Director of Research. It strikes me as being a competent job on that subject.

I note that you will be in Washington on Thursday, March 22nd. Unfortunately, I will be in St. Louis on that date and will not be able to visit with you. However, I certainly hope you will drop in the next time you are in Washington.

Very truly yours,

H. J. Gibbons
Executive Assistant to the
General President

HJG/yk

WOODSTOCK COLLEGE
WOODSTOCK, MARYLAND

file

March 19, 1962.

Mr. Al Weiss
International Brotherhood of Teamsters
25 Louisiana Avenue, N. W.
Washington 1, D. C.

Dear Mr. Weiss:

I will be in your neighborhood on Thursday
afternoon, and would like to see you briefly.

Sincerely,

F. X. Quinn, Sg.

FRANCIS X. QUINN, S. J.

/jh

WOODSTOCK COLLEGE
WOODSTOCK, MARYLAND

March 16, 1962

Mr. H. J. Gibbons
Executive Assistant to the General President
International Brotherhood of Teamsters
25 Louisiana Avenue, N. W.
Washington 1, D. C.

Dear Mr. Gibbons:

Incident to your letter of March 14th, I
am enclosing page proofs of Mr. Weiss' article, Labor and
Automation, from my book, THE ETHICAL AFTERMATH OF
AUTOMATION. I hope that you can use it in the TEAMSTER.

Also enclosed is some general information
about the book.

I shall be in Washington on Thursday
afternoon, March 22nd. Perhaps, if this is convenient, I
could see you then.

Sincerely,

F. X. Quinn, S. J.

FRANCIS X. QUINN, S. J.

/jh

Enclosures: (1) Labor and Automation.
(2) Brochure on THE ETHICAL AFTERMATH OF
AUTOMATION.

Order Form

THE NEWMAN PRESS
Westminster, Maryland

Gentlemen,
Please send me _____ copy(ies) of
THE ETHICAL AFTERMATH OF
AUTOMATION @ \$4.25

NAME _____

STREET _____

CITY _____ ZONE _____

STATE _____

ETHICAL

OF

AUTOMATION

Edited by
Francis X. Quinn, S.J.

THE ETHICAL AFTERMATH OF AUTOMATION

Edited by Francis X. Quinn, S.J.

With the 60s, automation has come into its own. From midsize machines which occupy no more than a few square feet to colossal monsters which can be called industrial plants, automation has grown from sorting pages to sorting ideas, from making out checks to collecting them.

With automation comes change, and with change comes prosperity to some and hardship to others. The competitive market leaves no room for slack; the ever increasing tempo of production, and in the race some prosper and some perish.

Such new times bring problems new and old; old, because automation makes no pretense at solving all problems; new, because the influx of the new technology into a traditional and fixed economy cannot but achieve a modification of events to produce new dimensions for human activity. And so today, there are questions new and questions old: the old implying new meanings and new scope, and the new demanding

the contemplation of the principles of truth and goodness and a reevaluation of the rational and volitional activity which seeks to implement what is true and what is good.

Thus, automation, an economic force, has created ethical issues: What are the rights of management in the context of the new technology? What are the rights of labor in this same sphere? Is the concept of property evolving to meet a new climate of civilization? The new leisure: how will it be used? What should be done about depressed areas?—what can be done now? Where does responsibility lie?

THE ETHICAL AFTERMATH OF AUTOMATION, the first seminar in THE ETHICAL AFTERMATH SERIES, has gathered together experts from the fields of labor, management, government and education who bring to the arena of human conduct the benefit of their specialized centers.

Contributors include Senators Barry Goldwater, Eugene McCarthy, Rev. Cuttane Weigel, S.J., Joseph D. Keenan, and Rt. Rev. Msgr. George G. Higgins.

\$4.25

ST/AT/2

ADMINISTRATIVE FILE ✓

Automation

Woodstock College

X

March 14, 1962

Woodstock College
Woodstock, Maryland

Gentlemen:

We are interested in using your book entitled,
The Ethical Aftermath of Automation. I would appreciate
your informing us as to the cost and sending us a page proof.

Very truly yours,

H. J. Gibbons
Executive Assistant
to the General President

HJG/mc

WOODSTOCK COLLEGE
WOODSTOCK, MARYLAND

March 12, 1962.

The Teamster
25 Louisiana Avenue, N. W.
Washington 1, D. C.

Dear Sir:

Within the next month, Newman Press will publish a book entitled THE ETHICAL AFTERMATH OF AUTOMATION. In this book, Abraham Weiss, Director of Research for the International Brotherhood of Teamsters, has a chapter entitled Labor and Automation.

Aware of Mr. Weiss' appeal to your readers, we offer you the opportunity to republish this essay -- truly a contribution.

If you are interested in considering this essay, I would appreciate hearing from you, and will send you, with permission of the publisher, the completed page proofs.

Sincerely,

F. X. Quinn, S. J.
FRANCIS X. QUINN, S. J.

/Jh

Handwritten: H. J. Gibbons, Vice President
L.P. of T.

Handwritten: Received, Aft
1 PM
3/20/62

CAN THERE EVER BE FULL EMPLOYMENT WITH AUTOMATION?

Before
Wednesday Evening Current Events
Jewish Community Centers Association
St. Louis, Mo.
March 21, 1962

ADMINISTRATIVE FILE
Automation

1) This question assumes that the bulk of employment is in factory work - where automation prevails.
This is not so.

Fact - The areas most susceptible to automation are process manufacturing and large scale clerical work - and these represent only about a fourth of all employment. Small plants and offices don't generally lend themselves to automation.

No significant automation will be found in the building and construction trades, some mining, personal services, retailing, and industries with vast space requirements such as forestry and agriculture.

2) This question assumes that all our needs - - private and public - - have been met and that, therefore, we must inevitably accept shrinking employment. In essence, this is the economic stagnation theory popular in the 1930's.

Fact - There are many deficits in our present economy - these will be discussed below - which, if filled, can take up the job gap caused by automation.

A full employment economy is an absolute precondition for successfully handling automation - at least on the employment side.

While the problem of achieving and maintaining a full employment economy is still with us as we move into the 1960's, it is fair to say that on the labor-management front, the parties with the help of government have learned enough to mitigate some of the worst effects of automation. What they can do, of course, is no substitute for a full-scale attack on the basic problems of economic stagnation and unemployment. On the other hand, the failure to implement and carry through what can be done even on these more limited fronts will subject millions of workers to needless hardship and dislocation in the 60's.

A full employment economy is an absolute precondition for successfully handling automation - at least on the employment side.

While the problem of achieving and maintaining a full employment economy is still with us as we move into the 1960's, it is fair to say that on the labor-management front, on the individual firm and plant front, the parties with the help of government have learned enough to mitigate some of the worst effects of automation. What they can do, of course, is no substitute for a full scale attack on the basic problems of economic stagnation and unemployment. On the other hand, the failure to implement and carry through what can be done even on these more limited fronts will subject millions of workers to needless hardship and dislocation in the 60's.

Automation is going to call for a change in our values if the social side of our civilization is to keep pace with the technological side. One basic principle must be established in our society - which the trade unions must struggle to establish. It's a simple one, and runs something like this.

Advanced technology is a great thing for our society. Indeed, we must have it if we are to survive as a going civilization; if we want higher standards of living. No one will quarrel with this idea.

But by the same token, there must be a clear understanding that there must be a full sharing in the benefits of advanced technology and automation. Up till now, this principle just hasn't been established. It was thought this would happen automatically. But it doesn't. Look at the auto industry, for example -- a dozen depressed communities in Michigan and Ohio are a product of the failure to get this principle across. Automation may have helped most of the people in the country; perhaps better cars were produced. But the auto workers in Michigan suffered; they didn't share in this advance, nor did the labor surplus communities in which they live.

I emphasize that there must be basic acceptance of the fact that society as a whole benefits from automation, and society must be prepared to bear those burdens which affect small groups of people - but those people are important.

Our national automation policy must accept automation as an invaluable asset - except as it may be misused.

Such a national policy for the effective use of automation must rest on two bases:

(A) A firm commitment to the full use of the American work force - expand the national economy

(B) Recognition that the human costs of automation --the displacement costs must be borne by the economy at large and not by the individuals who happen to be in the direct line of the robots' march.

What are we to do to put the economy on a full employment basis, and to make automation a boon instead of a boomerang?

No one easy answer; no master plan.

Specific illustrations:

1) We need 140,000 more school rooms than we have. This would benefit our educational system. But it would also mean 500,000 more construction jobs and a total increase (for every new job has an indirect effect of producing 1 1/2 additional jobs) of well over a million new jobs.

The cost? About the same amount we paid out in 1961 in unemployment insurance and relief benefits, for work not performed because it wasn't available.

2) Juvenile delinquency is a national problem. To reduce it, we should clear out the slums that infect America's cities. That step, taken boldly, would have a telling effect not only on juvenile delinquency but on the present unemployment figures.

3) Water shortages are imminent in many areas. Doing what this situation demands would mean not only more water, but also more jobs.

4) Take the 500,000 migratory farm workers and their families - pathetic nomads

in the American economy. These workers' average earnings of \$1019 a year leave them not only hungry, dirty and illiterate, but also miserably poor customers and taxpayers. Wouldn't better wages help them the rest of the economy?

Isn't the best stimulant to business people coming in the door with money in their pockets?

5) The American work force will be fully employed only if a considerable amount of the national product is sold abroad. Full employment in America is and will be completely dependent on our exports - so expanding our foreign market, which means liberalizing our foreign trade policy. Exports markets today supply jobs for over 3 million workers - some 13% of all farm workers and about 8% of factory workers.

There are no one-way gates through tariff walls. If we raise our tariffs other countries won't, in fact won't be able to, buy our exports.

At the same time, we have to recognize that to be for free trade as a stimulant to fuller employment in the economy as a whole is to assume the obligation to work out ways of absorbing the shock - to companies and employees alike - in those areas where it has the opposite effect.

These, then, are some of the decisions people must make in determining whether there is to be full employment.

Government, too, must play its role.

Fiscal and monetary policies must be carefully geared to the responsible stimulation of private investment, private production and private consumption.

In some instances - particularly in the education, housing and highway construction areas - the government must act as a public investment agency, as the means for people's making those investments in the future, in the building of America - is full employment - which cannot be made through any other channels.

We must recognize that the manpower budget is fully as important as the money budget, and that 5 million unemployed men and women is as deplorable a deficit as one measured in dollars. Five million unemployed, together with their dependents, represents a population of over 12 million, or more than the entire population of all the six New England states. Such was our unemployment at its worst in both the '30 and '40-41 recessions.

Fortunately, the relationship between the two is such that if we can balance the manpower budget -- at full employment -- the dollar budget will show a favorable balance, too. For a man out of work is not a taxpayer; a man at work is.

The obvious relationship of all of this to automation is simply that its potential benefit and will not be realized except as part of a broader program of full utilization of America's work force -- of men equipped with machines.

The other essential element of an adequate automation policy is a program for meeting the inevitable transitional effects of automation.

The principle underlying such a program is spreading the cost of automation instead of placing it on those individuals who are affected adversely by it.

This means insuring the cost of automation, the cost and the burdens of reasonable provision for getting a displaced employee to another job, and training him to fill that other job if this is necessary. It means the assumption of these costs by the enterprise which profits from the fact of automation, by consumers in some cases, by the public -- as taxpayers -- in others.

We have to face the fact that a man moved aside by a machine -- especially if he is more than 40 or 45 years old -- often faces odds he cannot fairly be expected to overcome.

This principle asserts primary private responsibility for these costs, and insists that the only excuse for governmental action is the impossibility of

satisfactory private disposition of the matter.

In many collective bargaining relationships today, the parties are developing various proposals and programs for absorbing the cost of relocating and retraining the man machines replace.

The most notable retraining programs financed by the Companies: the West Coast longshore agreement; the recent settlement between the Southern Pacific RR Company and the Telegraphers Union are illustrations.

These collective bargaining programs appear to be gaining wider acceptance. The recent report of the President's Labor-Management Committee on the Benefits and Problems of Automation, for example, has recommended serious consideration for such things as "--- employer supplementation of public unemployment compensation should be accomplished through severance pay, supplemental employment benefits, and similar measures -- provide for early retirement -- financial aid and the transfer of employees to other plants in a multi-plant system, and protection of existing rights for individuals so transferred -- the recognition by unions, individual employees and employers of the necessity of adopting seniority and other rules in order to facilitate mobility of workers while providing protection for the equality of employees ---." The same report also advocated advance consultation between management and unions where major technological change was pending, retraining of workers, protection of pensions when job movement becomes necessary, and other related measures.

The members of the committee noted that "a reduction in the basic work week -- has historically been one means of sharing the fruits of technological progress," but they held off endorsing any such reduction for the present. This is, however, likely to be one of the important collective bargaining items for labor and management in the 1960's.

American labor and management are thus striving to remove the costs of automation from the individuals adversely affected by it.

There will remain, inevitably, a necessary role in this process for government. We have to recognize that the government bears the final

responsibility for the quality and content and prosperity of the nation-- in brief, for achieving the common good.

The (Full) Employment Act of 1946 recognizes that the federal government has some responsibility in encouraging all groups to adopt policies that maintain high levels of employment. The federal government, representing all of society, also bears some responsibility in adopting policies that would maintain high levels of employment. The general level of employment may be high, as it is today, but there still exist pockets of long-term unemployment resulting from automation and technological changes. In the world of today our society cannot afford to have these resources go to waste. According to the 1961 Report of the Joint Economic Committee, if unemployment in 1960 had been maintained at an average rate of 4% instead of the actual rate of 5.6%, the gross national product would have been \$30 to \$35 billion higher, the equivalent of \$500 per American household.

It is bad enough when this economic waste is a temporary one. Our society should not tolerate a situation in which human resources remain unemployed for such a period of time that they become completely obsolete; and become an economic burden on society even though they are physically able to produce goods and services for many years more.

Here is what the government can and should do: --

- 1) Unemployment insurance -- by increasing the amount and duration of benefits; broadening coverage; establishing uniform standards.
- 2) Strengthening the public employment service, to bring unemployed men and unfilled jobs together more efficiently and rapidly; to improve the testing and counselling service, etc.
- 3) Public program to promote, guide and in some cases provide a training and retraining program adequate to meet the needs of an automated economy. Part

of the need is to determine not only overall manpower requirements but also what number of people with what kinds of skills will be needed where.

The passage of the Manpower Development and Training Bill last week is a necessary first step in meeting our automation problems.

There is also the whole broad area of necessary review of the integration of the educational system with the new demands of a changing economy.

We in the labor movement are convinced that unless you have a strong national economy in the United States, a vigorous full employment economy, which is growing 4 or 5% a year, you are not going to be able to handle the problems of automation. Unless our economy sports rapidly ahead we are not going to have the millions of jobs that our growing population needs over the next 10 years.

The practical goal of national economic policy - reasonably full employment - is to achieve and maintain an unemployment rate of approximately 3% of the labor force.

How to do it?

A national environment of prosperity and rising employment is the responsibility of the federal government. Federal tax, expenditure and monetary policies to encourage a continuing expansion of sales, production and employment are needed. It is also in the area of federal responsibility to eliminate sharp economic fluctuations and to reduce the impact and duration of recessions.

Business and organized labor can contribute to the needed rise in sales, production and employment - through an increasing flow of buying power to consumers based on adequate improvements in wages and salaries and through price policies which produce increasing profits from a rising volume of sales and low profit margins.

Full employment means greater utilization of our resources, with a concomitant increase in national income, and a decline in the social cost of supporting the families of unemployed workers.

The crucial solution, the central economic issue is economic growth. Sustaining and sufficiently rapid expansion.

I turn this the key to the automation and full employment problem because important as unemployment insurance is, it can never be more than a hedge against emergency; it is not a way of life. No man is free, if he is without opportunity to earn his living.

Important as training and retraining are, they are useless unless there are jobs at the end of the road.

Thus, although it is important for Government to provide for training, for improving the flow about job opportunities, and for rehabilitating depressed areas, these policies are no substitute for an adequate level of demand. This means placing primary reliance on a general expansion of the economy to reduce the unemployment rate.

Lack of growth is over-all demand, as shown by gross national product, has been a major cause of unemployment. Demand has been curtailed by improper fiscal and monetary policies which led to a drop in private investment. Increased private investment produces faster growth of demand, output, and employment, and thus lowers rates of unemployment.

Growth is no longer a goal for America - it is a necessity. Not only must there be work for machines - but for men! It is through an expanding economy that job opportunities are at a maximum.

If need be, we must have worthwhile public works programs to relieve unemployment in depressed areas. We must consider monetary and fiscal measures - including tax reductions - to alleviate severe unemployment, and the general coordinate

importance of economic growth and economic stability. We must consider a capital improvement program and tax reform to stimulate business investment.

In his "Full Employment in a Free Society", William Beveridge refers confidently to the "human budget" - that level of outlay necessary to utilize fully the human resources of the nation.

Our national deficits in housing, in education, in health services, in social welfare, in the conservation and development of natural resources indicate some of the areas in which we have fallen shamefully behind other countries far less wealthy than we. The proof that millions of workers still earn a dollar an hour or less is proof of unmet private needs.

Automation should provide us with the physical means to overcome these deficits.

Automation can bring us tremendous benefits, but if we fail to use it wisely and wisely it can also do us tremendous harm. Basically, the problem is that of learning how to use and distribute our potential abundance, not letting it pile up in sterile inventory until it clogs and jams the wheels of industry and business. The problem is not new, but the vast productive potentialities of automation make it more pressing than ever before.

We still have tremendous needs to be met, both private and public. The so-called "affluent society" provides affluence for a minority of our people, but there is another minority, and far too large a minority, at the other end of the economic scale which still exists in pressing poverty.

Automation gives us the opportunity, for the first time in history, of ending poverty. It gives us the opportunity, too, of eliminating some of the disgraceful

deficits in the public sector of our economy to which I referred earlier -- deficits in education, in health services, in housing, in the conservation and development of natural resources, etc.

If I have seemed to speak here less of automation as a separate development than of the employment problem as a whole, that is, again, because these are not really separable matters. Yet, the fact remains that is the present accelerated rate of automation which gives these broader problems much of their present, even crucial, urgency.

In conclusion, then, the question remains whether we are competent as a society to use what our technology has produced.

In a democracy, control over these mechanical devices we grasp under the term automation depends on an infinitely complex decision-making process in which tens of millions of people must share, each with a different stake in the outcome.

This is the kind of decision our system shows that a free people cannot make -- the kind of decision that only a dictator can make. Our system shows that democratic capitalism will fail as the result of its own incapacity to decide.

Perhaps no other economic issue so puts democracy to this test today as this question of whether we will use automation as a "device with which to displace and dispossess with man, or as a means to increase his stature."

I firmly hope and believe that America's wisdom in the use of automation will catch our skill in its acquisition -- so that we will not have to face the spectre of mass unemployment.

Automation should serve the common purpose. We can not have idleness and joblessness co-existing with unfilled national needs. The answer to this paradox -- and to each of the current unemployment problems -- lies simply in people's decisions to go ahead and build the America we could ideally like to have.

ELMER J. HOLLAND
30th Dist., Pennsylvania
COMMITTEE ON
EDUCATION AND LABOR

Speech File

Congress of the United States
House of Representatives
Washington, D. C.

OFFICES:
WASHINGTON
404 HOUSE OFFICE BUILDING
PITTSBURGH
722 NEW POST OFFICE BUILDING
MCKEESPORT
808 PEOPLES UNION BANK BUILDING

March 16, 1962

ADMINISTRATIVE FILE

Automation

Mr. Harold G. Gibbons, Executive Vice President
International Brotherhood of Teamsters
25 Louisiana Avenue, N. W.
Washington 1, D. C.

Dear Mr. Gibbons:

Thank you for the help you gave me in securing the passage of the Clark-Holland Manpower Development and Training Act of 1962. Without the cooperation of your organization and the other members of organized labor, public opinion would not have been aroused to the extent that many Members were forced to vote for this legislation.

I am enclosing a copy of my Report to my District. Here I have traced the history of the Bill and told the story of its passage. I am also enclosing a copy of a resume of the Bill, as I thought this might be helpful to you.

This legislation, as we know, is not the complete answer, but it certainly is the first of many steps which must be taken to secure the solution for unemployment. The first one is the hardest, they say, and - having accomplished that - we will continue until full employment is attained.

With kindest regards and my heartfelt thanks, I am

Sincerely yours,

ELMER J. HOLLAND, M. C.

EJH:EJW
Enclosures

P.S. This is what Labor can do when it sets its mind to do a job. The passage of this Bill is the first constructive piece of labor legislation that has gotten through Congress since 1938. We have started....let's keep it up.

Not printed at Government expense.



★ ★ YOUR REPORT ★ ★ ★

FROM CONGRESSMAN ELMER J. HOLLAND
30TH DISTRICT PENNA.

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CAP. RM. 4-3121
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ORCHARD 8-4448

Vol. 6, No. 2

FINAL REPORT ON AUTOMATION - #5

March 13, 1962

The House and Senate Conference Committee concluded its meetings, and all the Conference - with one exception - endorsed the combined version of the Clark Manpower Training Bill, which passed the Senate last August, and the Holland Manpower Training Bill, which passed the House on February 28th. The Senate unanimously accepted the Conference Report, and by the time you receive this Report, it will probably have been accepted by the House and will be on the President's desk awaiting his signature.

The Holland-Clark Manpower Training Bill - the official title will probably be the MANPOWER DEVELOPMENT AND TRAINING ACT OF 1962 - is a program for which I have been fighting for 7 years here in Washington - and - before that, for three or four years in Harrisburg when I was in the Senate of Pennsylvania.

If it were not so tragic, it would be funny....for it is amazing and appalling to realize that such needed legislation was both ignored and disregarded for 10 or 11 years. From the humorous point of view - one could say that "10 years to accomplish anything is about par for the course"....however....the tragedy is that at least 8 years have been taken from the productive years of many wage-earners and heads of households. Had this legislation been passed - when first introduced - many of our workers would not have suffered needlessly from under-employment and full unemployment.

For the sake of the record, permit me to review a few pertinent facts in which I think you will be interested.

When I came to Washington in 1956 - because of my interest in this problem and the inability and refusal of the State to do anything about it prior to 1955 (under Governor Fine) - I felt the Federal Government should act to see that we had full employment. Congress had passed legislation in 1946 which stated the President was responsible for maintaining our national economy at a high level and our unemployment at a low level. This was called the Full Employment Act of 1946 and gave the President permission to appoint a Committee of labor, management and the public to investigate our economy and make recommendations as to what action should be taken by the Government to correct conditions. The purpose of this legislation was to prevent needless recessions or depressions.

President Eisenhower - despite the recessions - refused to act.

I introduced the Continuing Prosperity Bill - H.R. 12515 - which would have required the President to act....it would have forced him to do what he was permitted to do under the Full Employment Act.

I re-introduced it the following Congress - it was then H.R. 800 - and it again went to the same Committee....and again it died. We were experiencing another recession at the time, and still President Eisenhower refused to use the authority he already had. The Chairman of our Education and Labor Committee at that time, was Congressman Barden - and, like the President, he gave the impression that he believed in neither education nor labor.

In the Fall of 1960, as you remember, Senator Kennedy was campaigning for the office of President. I gave him my material and research - which was growing with each passing year - as were our unemployment rolls - and he used it during the campaign. The day after his election, I called Congressman Powell, of New York, who was to be the new Chairman of the Education and Labor Committee after the first of the year, due to the retirement of Congressman Barden, and I suggested that the Number One item on our Committee's program should be to go into the problem of Unemployment and the Impact of Automation. Congressman Powell authorized me to make a nationwide survey on this subject and prepare a Report for our Committee and for President-elect Kennedy.

In December of 1960 the preliminary report to the President-elect and the Committee was submitted. In February 1961, the Subcommittee on Unemployment and Automation was formed, and I was named Chairman by Congressman Powell.

(MORE)

Not printed at Government expense.



☆☆ YOUR REPORT ☆☆☆

FROM CONGRESSMAN ELMER J. HOLLAND
30TH DISTRICT PENNA.

OFFICES: WASHINGTON
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McKEESPORT
808 PEOPLES UNION BANK BLDG.
ORCHARD 8-4448
March 13, 1962

CLARK-HOLLAND MANPOWER DEVELOPMENT AND TRAINING ACT OF 1962

WHAT IT PROVIDES

THOSE TO BE TRAINED:

1. Unemployed persons who cannot expect to secure full-time employment without training.
2. Under-employed persons who cannot expect to secure full-time employment without training.....where possible.
3. Under-employed farmers whose annual income does not exceed \$1200.00
4. Youths between the ages of 16 to 22 who are unemployed.

THOSE TO BE GRANTED ALLOWANCES:

1. Heads of families or heads of households who have had not less than three (3) years of experience in gainful employment.
2. Youths between the ages 19 to 22.

AMOUNTS OF ALLOWANCES:

1. Weekly rate of unemployment compensation insurance of State in which trainee resides (including allowances for dependents) plus subsistence and traveling expenses where necessary.....this is for heads of families and households. In Pennsylvania the rate would be \$35.00.
2. Youths within the specified age bracket - 19 to 22 - would receive \$20.00 a week plus subsistence and travel expenses where necessary.

THOSE INELIGIBLE FOR ALLOWANCES:

1. Youths 16 through 18.
2. Those persons whose training requires less than six (6) days.
3. Those persons who refuse, without good cause, to accept training under this Act are forbidden for one (1) year thereafter to receive training allowances.
4. Those persons who have received this allowance for training will not be eligible for additional training for a period of one (1) year after the completion of their training.

SELECTION OF TRAINEES: -- The Secretary of Labor shall -

1. Provide a program for testing, counseling and selection of those unemployed and under-employed workers - farmers - and youths.
2. Determine the occupational training needs of such persons.
3. Provide for their orderly selection and training.
4. Provide counseling and placement services to those who have completed their training.
5. Not refer persons for an occupation which requires less than two (2) weeks training unless assured of immediate employment.
6. Terminate allowances and subsistence if trainee does not have satisfactory attendance record or is not doing satisfactory work in training course..... and such persons cannot be re-instated before one (1) year's period.

TYPE AND LENGTH OF COURSES:

1. Vocational courses will be conducted under the supervision of Secretary of Health, Education and Welfare and the various Departments of Education of the States - however, they must be in skills designated by the Secretary of Labor.
2. On-the-Job Training Courses will be established by the Secretary of Labor.
3. No training course will exceed 52 weeks.
4. Where necessary, supplementary classroom instructions will be provided with the cooperation and supervision of the Secretary of Health, Education and Welfare.
5. Skills taught will be selected as the result of a survey conducted by Secretary of Labor as to our manpower needs and manpower resources of the nation. No unnecessary or obsolete skills will be authorized under this Program.

(MORE)

In January 1961, I again re-introduced my Continuing Prosperity Bill....it being H.R. 1776, and Congressman Powell assigned it to my Subcommittee. We used it as a basis for our hearings and final recommendations of our Subcommittee.

The name of the bill and the number was changed....our Subcommittee submitted to the Full Committee on Education and Labor the Manpower Development and Training Act of 1961, H.R. 7373. The Full Committee, after additional hearings and several changes, then reported out H.R. 8399, but retained the same title.

In September 1961, the House Rules Committee considered H.R. 8399, but did not report it out as one Democratic member, Congressman Madden, had been called home because of a death in his family. The two conservative Democratic members of that Committee joined with the five Republican members - and the result would have been a tie vote of 7-7. Therefore, action was postponed until the present Session of Congress.

In February of this year, the Rules Committee again considered the legislation, and - after 3 days of discussion - reported it out with an 8-7 vote. Congressman Madden was present, and his was the deciding vote. Again the Republicans voted against the bill, although two members of their Party appeared and testified in behalf of it.

Because this legislation was based upon the old "Continuing Prosperity Bill", it was of particular interest to the United Steelworkers, as that Union had been with me during all the years we had tried to have such legislation considered. They rounded up their membership - nationwide - and contacted Congressmen representing Districts in which they resided. Other international unions joined in the campaign to let all Congressmen know of their interest in H.R. 8399 - and Congressional office reaction was most interesting to watch. My office was deluged with calls from other Congressmen asking for copies of the bill and copies of my Reports. Considerable interest and much support developed for it.

The Republican Congressional Party then called a policy meeting, and it was found out that many of their members intended to support the legislation. The leadership was upset for President Kennedy had asked for early passage of this legislation in his State of the Union address and in his Economic Report....and, if passed as it was, they said it would have the "Kennedy Image".

Senator Clark had introduced the companion bill - S.1991 - in the Senate last year, and since the Senate is much more progressive than the House, it had no difficulty in passing. Because of the conservative House Members, his bill - based on the "Continuing Prosperity bill", was much broader than we were able to produce. It had been our intention to include several amendments to H.R. 8399 during the debate - to cover under-employed farmers (which was in the Senate bill), unemployed youth between the ages of 16 and 22 (also in the Senate bill), and one to correct a condition existing in 15 states where those receiving Unemployment Compensation are permitted to take training, by transferring such people to this program, thereby protecting the Unemployment Compensation funds of those states (not in the Senate bill, but would have to be added in Conference Committee).

In desperation, the Republican Congressmen decided to have one of their members introduce the Senate Bill as a substitute for H.R. 8399....permitting the Republicans to get "into the picture" - to appear to be "constructive". There was one change, however, and that was to make this a 2-year program (the Senate's was 4) and to make the States pay matching funds the last six months (the Senate asked the states to pay the last 2 years).

In order to get Republican votes....and get the legislation passed, we accepted their suggestions, and I introduced their substitute (the Senate bill - which the Democratic Party and the President approved). I stated on the Floor, when I presented the substitution -

"I am interested in getting our unemployed back to work....this is first and foremost in my mind. To accomplish this, I will cooperate with all Members on both sides of the aisle (Republican and Democratic). I know many of both Parties who want to vote for this bill and I want them to be able to do so. I will lean over backwards to let them. What is most important is that we give the unemployed of our Nation the chance they so greatly need....I believe we have the legislation properly prepared to meet the approval of all factions in this Congress."

A Roll Call was taken, and the bill passed 354 to 62....and, many of the Republican Members - who had spoken on the Floor against it - voted for it!

Thus, H.R. 8399 (which had been amended to agree with the Senate bill - except for the length of the program) and the Senate bill (S.1991) were sent to a Conference Committee. The Conferees agreed on all points - and compromised the length of the program, making the final act call for a 3-year program, with the Federal Government financing it 100% for the first two years - both the vocational and on-the-job training courses, and the states paying 50% of the costs of the vocational program the third year.

Thus, the old CONTINUING PROSPERITY BILL is now the MANPOWER DEVELOPMENT AND TRAINING ACT OF 1962. The Secretary of Labor stated that this is the first piece of "constructive" labor legislation Congress has passed since 1938. This was worth fighting for since 1956 - and I am glad I was able to do it.

HOW IT WORKS

THE SECRETARY OF LABOR SHALL:

Appraise manpower needs and manpower resources of the Nation.....
Develop and apply needed programs.....
Provide adequate training opportunities.....

Evaluate the benefits and problems created by automation.....
Establish techniques for detecting potential impact of such developments.....
Develop solutions.....
Publish findings.....
Conduct comprehensive and continuing program of research.....
Promote, encourage and direct programs of information.....
Appraise Nation's manpower to meet future needs.....
Recommend needed changes.....

Establish program of factual studies of practices of employers and unions
which prevent - or - encourage mobility of workers.....
Promote practices to improve mobility of workers.....
Report findings and make necessary recommendations to the President and
to Congress.....

Develop, compile and make available information regarding skill requirements,
occupational outlook, job opportunities, labor supply in skills, employ-
ment trends on National, State or area basis to be used in educational,
training, counseling and placement activities under this Act.....
Develop on-the-job and related training courses.....
Develop training program standards.....

THE SECRETARY OF HEALTH, EDUCATION AND WELFARE SHALL:

Enter agreements with the various States for such training, as specified,
through public educational agencies or institutions - or, if these
are inadequate - through arrangements with private educational or
training institutions.....
Cooperate with the Secretary of Labor in coordinating vocational educational
programs with on-the-job and related training courses.....

THE FEDERAL GOVERNMENT SHALL PAY:

States - or State agencies - 100% of cost of training program in vocational
schools for unemployed trainees for two (2) years.....50% of cost in 3rd
year.....
Full cost of on-the-job training courses (employers, of course, will pay
trainees current rates, including periodic increases, as may be deemed
reasonable under regulations).....
States - or State agencies - 50% of cost of training courses for those
under-employed trainees.....
States who now permit those on Unemployment Compensation to take training by
reimbursing their Unemployment Compensation Fund for monies paid to
trainees.....however, in 3rd year of this program only 50% will be
returned to State.....
Full costs of trainee allowances, subsistence and traveling expenses where
necessary.....

NATIONAL ADVISORY COMMITTEE

Ten members representing labor, management, agriculture, education, training
and public in general shall be appointed by the Secretary of Labor.....
Shall encourage and assist in the organization on a plant, community, regional
or industry basis of labor-management-public committees designed to further
the purposes of this Act and may provide assistance to such groups.....
Recommend to the Secretary necessary steps for the successful execution of
this program.....
Must hold meetings at least twice a year.....

COST OF PROGRAM:

For three (3) years.....it is estimated to be \$435 million.....

NUMBER TO BENEFIT:

During three (3) years.....it is expected approximately one (1) million will
be trained.....

PROGRAM TO GO INTO EFFECT:

It is hoped that by July 1, 1962, this program will be active.....
Preliminary surveys have been already started in anticipation of the
passage of this legislation.....

WHERE TO APPLY:

STATE EMPLOYMENT OFFICES in your locality - around June 1st.

March 13, 1962

ADMINISTRATIVE FILE

Automation

* Shriver, Sidney, Jr.

March 5, 1962

Mr. Sidney T. Shriver, Jr.
6914 Rita Avenue
Huntington Park, California

Dear Sir and Brother:

Thank you for writing your comments on my testimony before the Subcommittee on Automation. Under separate cover, I am sending you a copy of my formal presentation before this group. The main points, however, that I was attempting to make were:

1. Automation should not be opposed, in fact, it should be encouraged.
2. Immediate impact of automation on the individual worker should be softened through severance pay, extended unemployment benefits, income during retraining periods and assurances of further employment. The cost of such programs can become either a charge on Government and/or the employer, the main point being that the employee would not have to carry the brunt of the progress that automation brings.
3. That we should work toward an ever-expanding economy. This would require cooperation between management and government and would further require extensive review of industrial pricing policies, governmental expenditures in the public sectors, as well as a review of our entire tax structure and foreign trade policies.

The problem of automation today is that literally no one knows much about it. We have no information on the pace at which it is proceeding. In fact, it is difficult to determine whether or not it will create more skilled jobs, thus requiring extensive retraining or whether it is producing more unskilled employment. Secondly, no agency of the Government is really attempting to determine exactly what are the best answers to problems created by automation. This is especially criminal in the light of the fact that it represents a very serious development with revolutionary implications. The existence of

- 2 -

a permanent army of unemployed which high levels of production does not reduce, and, additionally, the phenomena of an absolute shrinkage of industrial jobs should be sufficient danger signals to mobilize coordinated action on this problem to provide 50,000 new jobs per week for the next ten years which are required to bring about full employment.

Hoping the above clarifies your questions, I am

Fraternaly yours,

H. J. Gibbons
Executive Assistant
to the General President

HJG/mc

S.T. SHIELDS, JR.
6914 Rite Ave.
Huntington Park, Calif.
L.U. #196/Jdgr. #9883/J.C. #42

February 25, 1962

Dear Sir and Brother,

I have just finished reading the transcript of your answers to the House Subcommittee on the Impact of automation and unemployment in pamphlet entitled "Automation" published by J.C. #13 and distributed at DRIVE meetings.

I was especially interested in that section where you were answering the questions asked by Rep. Garland, the section where you expounded the expanding economy idea.

Now, as I understand it, for automation to be properly or most efficiently utilized you would have the remaining production workers in the industries affected paid a higher wage in return for which there would be no control of production; this would reduce costs and prices to a point where the American people would have the same or, preferably, higher standard of living and at the same time a decreasing or at least decreased cost of living; this would also allow us to compete more ably in a world economy.

Now, in the process of adjusting or progressing to the maximum automated

society which should be the American dream, rather than the American bogey-man or nightmare, the majority of the production workers in the industries affected will be thrown into unemployment. So far, with few exceptions, everyone has assumed the Federal Government or the state governments or both would continue to carry this burden of caring for and providing for the unemployed. However, recently there has been some doubt that these governments should be liable for this burden; in fact there has been talk of making the employers (and so far the sole beneficiaries of automation) liable for employees displaced by automation.

Harry Bridges has made them liable to the tune of five million dollars a year for the next five years and the I.A.M. has set up a piece of tax system for aiding their displaced members. From these and similar events I have the feeling that the question of whose responsibility the displaced workers are is up in the air.

In response to one question asked of by Rep. Garland you said,

"I forget the government official who sees ninety billion dollars' worth of obsolete equipment in the American economy." To me, this implies that, by maximum production through automation, costs and prices could be cut the point where this "ninety-billion dollars' worth of obsolete equipment" could be replaced; and by putting these goods in a larger market through lower prices, more people would be able to take advantage of them thereby increasing their standard of living. ~~and~~ This also might take most of the burden or financial responsibility of the displaced workers of those who are eventually judged responsible for them; for these workers would be employed, delivering, producing, selling, and servicing these goods.

This is what I understand you to have meant by expanding economy. If I am off-base I hope you will find time to explain more though roughly to me. I would also like to have a copy of your formal presentation to the Subcommittee. Thank you for your time.

S.T. Shivers, Jr.
6914 Rita Ave.
Huntington Park, California

Fraternally,
Sidney T. Shivers
member #196-J.C. #42

Automation

February 8, 1962

C
O
P
Y

Lt. Commander J. D. Brett
U. S. Navy
Naval Shipyard
Brooklyn 1, New York

Dear Commander Brett:

Mr. Herman Bernard, Teamsters' Local Union #257,
has referred your request for information on automa-
tion to this International Union.

Enclosing you will find an assortment of materials
dealing with this subject. I hope you find them helpful
in writing your Master's thesis.

Please let us know if I can be of any further
assistance.

Very truly yours,

Abraham Weiss
Economist

AW/lp
Encs.

cc: Mr. Herman Bernard



TEAMSTERS UNION LOCAL 237
International Brotherhood of Teamsters
170 NASSAU STREET NEW YORK 38, N. Y.
WORTH 4-0351-2-3-4



February 7, 1962

President
WILLIAM LEWIS
Vice-President
MICHAEL V. MIRANDE
Secretary-Treasurer
JESSE KRAUSS
Recording Secretary
JOHN L. KOCH
Trustees
SALVATORE P. RAGUSO
ARTHUR FOLEY
BARRY FEINSTEIN
Executive Director
HERMAN BERNARD
Counsel
LOUIS E. YAVNER
MORRIS WEISSBERG
Public Relations
ABRAHAM WEISS

International Brotherhood of Teamsters
25 Louisiana Avenue N. W.
Washington 1, D. C.

Gentlemen:

Lt. Commander J. D. Brett, U.S.N., Naval Shipyard, Brooklyn 1, N.Y., is preparing his thesis for a master's degree at New York University and asked us if we had any material on the I. B. T.'s position regarding automation.

We told him that any such information should preferably come from I. B. T. headquarters, and added that we would call his request to the attention of the I. B. T.

Fraternally,

Herman Bernard

Herman Bernard
Executive Director

HB/pl

ADMINISTRATIVE FILE

Automation

X

February 7, 1962

C
O
P
Y

Mr. C. F. Melanson
6 Curtis Street
Brunswick, Maine

Dear Mr. Melanson:

6 Curtis Street
Brunswick, Maine
2 February 1962

International Brotherhood of Teamsters,
Chauffeurs, Warehousemen & Helpers of
America, AFL-CIO
25 Louisiana Avenue N.W.
Washington 1, D.C.

Gentlemen:

Please send me a copy of the following publication:
WHAT AUTOMATION MEANS TO YOU. By Abraham Wiess. August 1955.

Yours truly,

C.F. Melanson
C.F. Melanson

FEB 2 8 44 AM 1962

ADMINISTRATIVE FILE

Automation

THE PENNSYLVANIA STATE UNIVERSITY

UNIVERSITY PARK • PENNSYLVANIA

Department of Labor Education

316 Sparks Building
UNiversity 5-5425 or 5-5426

January 30, 1962

Mr. Abraham Weis, Economist
International Brotherhood of Teamsters, Chauffeurs,
Warehousemen and Helpers of America
2801 Trumbull Avenue
Detroit 16, Michigan

Dear Al:

Thanks very much for sending along your pamphlets on
automation.

As you may know, we are being placed on the mailing list
of your international newspaper. This will be included in our
collection of trade union periodicals and cataloged in our Library.

Again, many thanks.

I hope to see you soon.

Sincerely and fraternally,

Charles Steinberg
Charles Steinberg
Research Director

ca/jpt

ADMINISTRATIVE FILE

Automation

X

X

August 9, 1961

Mr. E. Pauley, Sr.
Pauley Petroleum Company
11100 Santa Monica Blvd.
Los Angeles, California

Dear Ed:

Attached, I am sending a statement given before the Subcommittee on Unemployment and the Impact of Automation and, in addition, a pamphlet which we produced which consists of the questions and answers which followed after the presentation of my original statement.

It was a pleasure meeting you recently in Los Angeles. I don't know of a more stimulating five or six hours that I have spent in a long time. Needless to say, it was also a pleasure to meet your lovely wife, your daughter and her husband.

I sincerely hope we will have another opportunity to exchange views.

Yours very truly,

H. J. Gibbons
Executive Assistant to the
General President

HJG:ld

ATT

PS: Thanks for the book. I
have enjoyed reading it.



OFFICERS
F. W. STOVER, Pres. & Editor
GEO. H. WHARMAN, Sec. Treas.
MISS M. IGA RINE, Vice Pres.
JULIUS JACOBSON, Vice Pres.

File
U. S. FARMERS' ASSOCIATION

Publishers of U. S. Farm News

517 KEOSAUQUA WAY
DES MOINES 9, IOWA
PHONE CHERRY 3-0972

September 13, 1961

ADMINISTRATIVE FILE

Automation

X

Mr. Abraham Weiss
25 Louisiana Ave., N.W.
Washington 1, D.C.

Dear Mr. Weiss:

Thank you very much for your good letter and the valuable pamphlets on automation. I will distribute them to our Directors and key leaders.

The question of automation is a most challenging one and I am glad some organizations are facing up to it. Chas. R. Allen, Jr. who is now with the U E in New York will speak to our Convention on "Automation; The Big Steal."

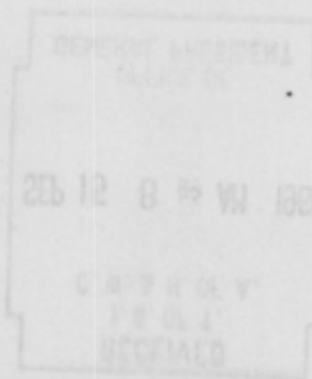
I shall extend your greetings to our Convention and I'm hoping that next year we may be honored by having you or someone from the Teamsters address our Convention.

I was glad to note that the Teamsters are going to cooperate with the Mine-Mill Union. That is a step in the right direction and I hope it develops into some real effective teamwork.

Sincerely yours,

F. W. Stover
F. W. Stover, President
U.S. Farmers' Association

FW3:tjm



U.S. FARM NEWS

Vol. XXXVIII No. 3

Published by U. S. Farmers Association, 517 Keo, Des Moines, Iowa

MAY-JUNE, 1961

THE FORGOTTEN PRESCRIPTION



THE DEMOCRATIC PLATFORM, PLEASE, Or A Reasonable Alternative

Should the Kennedy Administration be permitted to default on its campaign commitment of parity to farmers as the Eisenhower Administration did on the "Golden Promise" made at Kaason, Minnesota?

The farm platform unanimously approved by the Democrats at their Los Angeles Convention pledged farmers price supports "at not less than 90% of parity" together with direct payments to bring farmers "parity of income."

What is the record to date?

Congress has given Secretary Freeman authority to raise price supports up to 50% of parity. But the 1961 Feed Grain program sets price supports at only 74% of parity—and only for those producers who

sharply curtail their production. Farmers had to take that or nothing.

The Omnibus Bill for which Freeman is lobbying makes price supports at 90% of parity the ceiling rather than the floor and prohibits the use of direct payments to bring returns above 90% of parity.

Under this legislation the Secretary can write the program, Congress can let it stand or veto it, but cannot change it or amend it or offer an alternative program. Farmers can then vote only for such a program or be stuck with 50% of parity as the only alternative—and they would still have to comply with the quotas they voted against to get that.

So far, no effort is being made by the Adminis-

(Continued on page 2)

— U. S. Farm News —

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THE DEMOCRATIC PLATFORM—

(Continued from page 1)

tration to carry out the Party's farm platform and no organization is calling on Freeman to use the authority he already has to put price supports at 90% of parity—no one but the U. S. Farmers' Association.

If farmers are to vote in a referendum they should have some meaningful alternatives, such as indicated in the above cartoon.

There is little doubt as to how the farmers would vote in case of a triple choice of "Free Markets," the Poage Bill or the Omnibus Bill (the Poage Bill of last year had some of the same provisions as are now in the Omnibus Bill) and the good program adopted by the Democratic Convention in 1960.

U. S. Farm News insists that farmers have the opportunity to vote for a real alternative to what may be cooked up by a Secretary of Agriculture.

If progress is to be made in farm programs, then farmers should at least be given a chance to vote against a new proposal without losing such programs as they now have.

U. S. Farm News was against the loaded corn referendum of Benson in 1956 and is also against a Freeman referendum as proposed in the Omnibus Bill.

PROGRAM DEVELOPMENT AND COLLECTIVE BARGAINING

LET'S HAVE DEMOCRACY NO PHONY REFERENDUMS

The provision for nominating and appointing Commodity Advisory Committees as outlined in the Omnibus Farm Bill submitted to Congress by the Kennedy Administration has projected the whole question of how farm programs should be developed and by whom.

Should committees to draft farm programs be appointed by the man who happens to be Secretary of Agriculture?

Or should they be elected by farmers and be responsible to the farmers? Should they be authorized to negotiate and be the bargaining agent of all farmers or should they just listen to the Secretary of Agriculture?

If organized and authorized to do "collective bargaining" who should they bargain with?

Should they bargain with packers, processors, millers, bankers and Board of Trade speculators, or who should they bargain with? If farm prices are to be set by collective bargaining by farmer committees, then the U.S. Farmers Association proposes that the County ASC Committees elect every two years the members of a National Farm Price and Production Committee, which shall be the bargaining agent of all farmers in negotiating with the Federal government as the agent of and advocate for all consumers.

Membership of the National Committee should be made up of two members each from the ten major producing regions of the United States.

They shall be elected not as representatives of farm commodity groups, which might cause divisions among farmers, but as representatives of all agricultural producing interests of their regions.

Election of the members of the national committee shall be by members of the county committees voting in elections conducted under safeguards similar to those contained in the National Labor Relations Act.

This Committee shall negotiate with the Federal government annually the support prices to be guaranteed through the coming year, but shall be authorized to provide for differentials and for seasonal price changes, if desirable.

CONSUMER PROTECTION— PRICE STABILIZATION

There should also be established a Consumers Protection Agency that is widely representative of consumer interests. This Agency should give continuous attention to production costs, to prices and availability of all products both agricultural and non-agricultural. The Agency should engage the most competent cost accountants who can have no vested interests in any industry or in products whose costs they must ascertain.

This Agency should be given all of the authority of the Office of Price Administration of W.W. II (OPA) and should set prices somewhere in line with actual costs.

The Agency should cooperate with and advise the National Farm Price and Production Committee so that the farm prices established may be set in a balanced relationship to farm costs and be fair to both producers and consumers.

As price gouging and profiteering is minimized, all prices may be gradually reduced, consumption of all goods could increase and long strides could be taken towards an economy of abundance.

This smaller edition of U. S. Farm News is a supplement to the May-June issue for 1961.

The July-August and succeeding issues will continue to be printed in the regular format size and sent to all members and subscribers whose dues or subscriptions are paid.

THE SHIFTING FARM FIGHT

After denouncing Ezra Benson and his low farm price supports for eight years, the Democrats seem to have suddenly decided that maybe Ezra had something after all.

Now that Benson and like are out and the Democrats are in, the question of higher price supports no longer seems urgent to them.

The Kennedy braintrusts have "switched the pitch."

Instead of arguing about the level of price supports the argument now is about how to "let the farmers write their own program."

Kennedy wants his Democrat "farmers" to write it instead of his Democrat Congress. Perhaps that's because it would thus be easier to preserve Party harmony. Possibly too because it would be easier on the budget.

Kennedy's "farmers" are all far "National Defense" and they want the dear taxpayers dollars spent for more bombs and battlewagons rather than doling it out to "inefficient" farmers.

What it amounts to is that instead of debating a question of real substance with imaginary regimentation of farmers they are now slugging it out over something almost devoid of substance but loaded with real regimentation and the Farm Bureau Republicans are making the most of it.

Kennedy's farm managers have given the G.O.P. and the Farm Bureau an excellent opportunity to free themselves from the low price support stigma of the Benson years.

Instead of forthrightly proceeding to carry out their own good farm platform and daring the opposition to put up a fight to the finish for the Benson low price support policies, the Democrats abandon the high vs. low support controversy and project other procedural issues on which they cannot win and on which the G.O.P. and the Farm Bureau can hardly lose. Perhaps this side-tracking of the real price support fight was in deference to the pro Benson or low price support Democrats in Congress which at one time included a Senator from Massachusetts.

An increasing number of farmers are coming to the conclusion that the Administration's proposal to "let the farmers write their own programs" is simply a political escape-hatch in which they use the weakness of the farm organization leadership as a scapegoat.

An examination of the Omnibus Bill however reveals that farmers may have very little to do with drafting their own programs by way of the Advisory Committees that are called for. The A.S.C. Committees and the farm organizations can only "nominates" not elect the members of the Advisory Committees.

After the Committees have drafted programs with the assistance of the U.S.D.A., the Secretary can still "take em or leave 'em."

It has all the earmarks of a scheme to super impose on Agriculture a handpicked political bureaucracy to replace both the legislative branch of government and the farm organizations—or almost all the farm organizations—all but perhaps one. That of course would be the "company Union." It would be the Farmers Union under the Democrats and the Farm Bureau under the Republicans.

Both are equally unpopular with most farmers and as far as the past record regarding price support is concerned, the difference between the two is even less than the difference between the two major parties.

It is contended that this Bill will raise farm income. But instead of price supports at "not less than 90% of parity" as pledged in the Democrat's platform, the Bill makes 90% of parity the ceiling instead of the floor.

Then the nke sounding bait of compensatory payments in the platform which some dared to hope would be used to supplement the 90% of parity supports just barely got into the Bill and cannot be used at all above 90% of parity.

Further, the farmer referendums that have been publicized so much are simply a one-shot, loaded referendum in which farmers could vote for the proposed program or lose even the program they now have.

There would be no real meaningful alternative, and without at least the choice of keeping current programs, it would be a loaded referendum—loaded to get the results the Secretary wanted.

Congress should never abdicate its right and duty to draft legislation, offer new legislation or amend proposed legislation. Congressmen can be changed every 2 years. It took 8 years to get rid of the last Secretary of Agriculture and some farm organization moguls cannot be dislodged at all.

The proponents of the Bill aim to put the chief reliance for raising incomes on the scarcity concept by way of compulsory restrictions on marketing called "supply management."

At a time when billions of bushels of grain are held in reserve and most of the world is moving towards an economy of abundance this is short sighted indeed.

Their lip-service to the consumers is merely political propaganda. Consumers can be protected only by an effective price control and stabilization program as under Roosevelt's 7 point program.

This was also the best deal that farmers ever had—with ceilings over farm costs and firm supports under farm prices. (The Steagall Amendments)

The fact that Benson's Don Paarlberg called that period a "dreamworld" should have been the cue for the Democrats.

The difference between Roosevelt and Kennedy is not confined to F.D.R.'s Good Neighbor foreign policy.

WE BELIEVE

We believe the public interest in full employment and equal opportunity for all citizens, without discrimination, to earn a good living is superior to any private or corporate interest in high profits.

The Federal Government therefore must accept responsibility to this end and provide for public investment and enterprise when private enterprise fails to expand our basic industries from year to year.

We believe that the same resourcefulness and ingenuity with which we have used technology to achieve marvels in production should now be used to achieve the same proficiency in distribution.

We believe that a government that is responsive to the needs of its citizens should endeavor to remove all socially controllable inequalities.

The Record on Farm Price Supports

It is important that the record be set straight as to who has fought the good fight for farm price supports via the non-recourse loans on grain and the concept of the Ever Normal Granary whereby the Government assumes responsibility for storing grain reserves in order to level out the "peaks and the valleys" in production in the interests of both the producers and consumers.

According to the daily press and some radio stations some would be led to believe that the National Farmers Union was the farmers champion in the fight for high price supports.

The Cowles Midwest press monopoly and certain radio stations would have N.F.U.'s Jim Patton riding the Anti-Benson bandwagon and leading the drive for high farm price supports.

They have been doing their best to shoe the farmers who were disgusted with Benson and the Farm Bureau over into Patton's corner because they felt then they could be controlled.

A real test on farm price supports came in 1947-48 after President Truman, by declaration, ended price supports at 90% of parity. Secretary of Agriculture Clinton Anderson succeeded in getting the national farm organization leaders to agree on a flexible sliding scale system of price supports.

In 1947, in testifying before the House Agricultural Committee, James Patton of N.F.U. expressed his dissatisfaction with high price supports and said, "We want to maintain a free exchange market. If humans, for example, continue to be set at 100 per cent, you would pretty nearly eliminate the free market."

That was not Ezra Benson, but Jim Patton speaking.

On April 15, 1948, Patton testified for the Aiken Bill and said it was a "constructive" measure that would "work to the best interests of Agriculture." His testimony left no doubt as to his meaning when he said: "We believe that S.2314 constitutes a landmark in legislative efforts and we strongly hope that a bill of this general character will be adopted by this Congress. A major contribution of the measure, of course, is its proposal of a new system for the support of Agricultural prices in which the level of support is related to the volume of supplies of each major farm product. The theoretical basis of the proposal is admirable."

The Hope Aiken Bill, which permitted price supports to drop to 80% of parity was passed in 1948 by a G.O.P. controlled Congress but also signed by a Democrat President who thought it should have a little more flexibility.

Thereafter the members and officers of the Iowa Farmers Union who now comprise the U.S. Farmers Association began a drive against this "Hydra-headed monstrosity" at their 1948 Convention in September and the 60% of parity never did become effective to this day.

In April of 1949 when a program was presented to Congress to assure all family farmers the equivalent of 100% of parity, Patton gave it only qualified support whereas the Iowa Farmers Union put on an all-out campaign.

In June of 1953 when Ezra Benson called a meeting of all farm organization leaders in Des Moines to give notice that he was going to "take the government out of the grain storage business," it was the officers of the U.S. Farmers' Association that challenged the Bensonian effectively and sent them scurrying back to Washington to order more bins to take care of an additional 85 million bushels of corn.

Neither Patton nor the leaders of other state F. U. organizations were there to challenge Benson, though they were invited.

Instead, Patton invited Benson to address the Union Convention in Denver March of 1954 where Patton chartered his first new state Union—Benson's state of Utah.

Quitting stingily he then also moved to revoke the charter of the one consistently anti-Benson state Union, the Iowa Farmers Union.

Last year, 1960, Patton and his Union struck rock bottom when they endorsed the Poage Bill which would have put an end to all non-recourse price support loans.

This year they are plugging for the Omnibus Farm Bill which might better be called a political patronage bill instead of a farm bill.

It does avoid some of the booby-traps of last years Poage Bill that were effectively exposed by the U.S. Farmers' Association.

Inasmuch as officers of the National Farmers Union have on other occasions tried to scuttle the foundation of sound price supports and also tried to superimpose a political bureaucracy on farmers by way of appointment by the Secretary of Agriculture there are grounds for believing that the Omnibus Bill like the ill-fated Poage Bill was designed by N.F.U. officers who seem to be in need of some boondoggling at the taxpayers expense.

A FEDERAL FARM PROGRAM WHY IT IS NEEDED

The U. S. Farmers Association wants full parity income for the tillers of the soil. In today's complex economy, with most farm costs and the things farmers buy being "administered prices," fixed by law, by boards or commissions or by some monopolistic market masters, it appears quite obvious that parity can be attained only by a federal program that gives to farmers some of the corporate power of the government that has long been extended to other groups and industries.

While the prices of farm equipment, gas and oil that a farmer must buy are firmly fixed and not subject to negotiation or the hazards of supply and demand, the prices of most farm commodities are set from day to day by competitive bidding and subject to speculation on the big commodity markets.

While government price supports for a few commodities have served to place a floor under prices, the actual level in recent years has been so low that even those few commodities have been largely at the mercy of "free market prices."

Industry on the other hand does not operate in a competitive market, political oratory to the contrary notwithstanding.

Through various informal arrangements, interlocking directorships, control by banking or insurance interests or even by cartel agreements or collusion and conspiracy the titans of industry and finance gouge the farmers and other consumers with prices that have no relation whatever to actual costs and that are practically untouched by competition.

The recent confessions of some of the biggest corporate executives in U.S.A. only confirms what many U.S.A.'s have surmised for some time.

These big concerns that operate in a monopolistic atmosphere at the manufacturing and wholesale level often leave the small retailers to cut each others throats in the scramble for the dwindling consumers dollar.

In the face of such economic realities, farmers need to realize that legislative action is imperative, and that only the Federal Government is competent to deal with this situation.

Farmers must hold to the thesis that agriculture cannot continue to buy in a protected market while selling in an unprotected market.

Finally, farmers don't want special favors or hand-outs. They don't want a subsidy that puts them on a favored economic plateau as some have charged. They want to end a subsidy. Farmers have subsidized all the rest of society with cheap food—food produced at less than parity or the cost of production.

It's high time that permanent arrangements were made to pay the long overdue board bill to America's food producers.

Farm Program Principles

(1) Farm prices or incomes must be kept in proper relationship to farm costs for the principle of parity that Congress committed itself to is a sound principle.

(2) A guiding principle in the pricing of agricultural products should be the establishment of prices that consider the best interests of both producer and consumer.

(3) Where income from sale of farm products is not high enough to return a fair livelihood to the producer because society requires low-cost products, it is the responsibility of society as a whole to afford to the producer, through direct government payments the additional income he needs for such a livelihood.

(4) Support prices and production goals should be negotiated ahead of the growing season. Through a production agreement or farm plan similar to the old AAA plan, worked out by the farmer and his farmer committee, each farmer could know what the support price would be and the Government would know that the farmer was planning his production to fit national goals.

(5) Setting of national production goals should be continued and the goals should seek always for abundant production, with acreage controls invoked only to assure changes in kinds of production or to assure conservation of the soil. Greater production by family-type farmers should be promoted through adoption of a conscious and deliberate policy of assigning progressively larger shares of needed production goals.

(6) The Ever Normal Granary should be continued as a means of assuring adequate levels of domestic supplies and of management of temporary surpluses of farm products. The granary should include, when desirable, all farm products, should be expanded beyond present levels to guard against domestic shortages, and should be related to an international program for expanded world trade.

(7) All benefit payments, adjustment or conversion payments, or other compensation should be graduated so as to favor family farmers, and at the same time, through the farm plans and other devices, opportunity should be afforded outside agriculture for those displaced from agriculture, so that steady progress is made toward an American Agriculture composed of economic-size family-type farms. Where large scale farming is desired, co-operative techniques with local ownership and control is recommended.

(8) Wherever feasible compliance with production agreements should be for a period of several years or more to prevent the in-and-outer from defeating or nullifying the efforts of the co-operators.

Opportunity for proving compliance over a period of years would be a convenience for many farmers whose acreages or rotations might not fit some rigid allotment for a given year.

Yet if their total acreage for the entire period was within the agreed limits or production goals the farmer should still be eligible for all of the benefits of the program.

(9) Both program development and program administration should be from the grass roots up, not from the top down.

Sound program development can come only from free discussion and voluntary agreement from the rank and file and carried up by the farmer committeemen that are elected and thus responsible to them—not by coercion or pressure by politicians appointed in Washington.

In administering government programs there must be supervision, to assure uniformity in compliance and to verify that the national directives of the enabling legislation are adhered to.

But if the farmers themselves have initiated and developed a program, then it is their program and they will guard it zealously and will be determined to have the regulations and compliance standards respected thus minimizing the supervision required by direct representatives of the government.

(10) Universal, level-premium insurance against all production hazards ought to be an integral part of a national farm program, with automatic participation by all farmers sharing in the benefits of such program. The costs of such insurance should be borne equally by participating farmers and by society as a whole.

The Kennedy-Freeman Price Supports

In order to give President Kennedy and Secretary Freeman, and all others too, some perspective on what price supports have been and how the "higher" supports for 1961 compare with previous support rates, U.S. Farm News lists the corn loan rates for one North Iowa County from the first year of Benson and Eisenhower to the first year of Freeman and Kennedy.

1953	\$1.54 per bu.
1954	1.52 per bu.
1955	1.50 per bu.
1956	1.42 per bu.
1957	1.32 per bu.
1958	1.28 per bu.
1959	1.04 per bu.
1960	.98 per bu.
1961	1.12 per bu.

The loan rates for 1959 and 1960 were available to all corn producers even if they put all their land into corn which some did.

The \$1.12 rate for 1961 with the sharp cut in production it required doesn't look very high in comparison—either to the 1959-1960 rate or the rates for previous years when allotments or Soil Bank base limits were in effect.

For example this year's rate is still 16 cents per bushel below the rate for 1958 and 30c per bushel below the 1956 rate when Soil Bank payments were made.

This comparison is not made to imply any credit to Benson. He really wanted the rates still lower.

The year by year decline shows that he was partially successful.

But the key question now is what does Kennedy and his Agriculture Secretary want? What are they aiming at?

According to Freeman's prediction of a 10% higher farm income and his answer to the N.F.O. panelist in Des Moines regarding \$22.00 hogs it would appear that he is aiming high.

But the inside dope from those close to him in Washington is quite different.

There the "Supply Management" boys are thinking of \$1.05 a bushel for corn and \$14.00 a cwt. for hogs for 1962 and for the long pull they aim at \$1.20 corn and \$15.00, \$16.00 hogs.

Freeman and his "Supply Management" theorists had better take a good look at past corn loan rates and get a little of the "Corn-Hog" perspective if they want to make a record that will compare favorably with Benson's in 1964.



That friend is the U.S. Farmers Association and its U.S. Farm News.

This is according to plan. The Agricultural Committee of the U.S. Chamber of Commerce came out with plans in 1945 to eliminate from one-third to two-thirds of the farmers.

An Invitation To You

*To pay your dues to the Association

*Or your subscription to U.S. Farm News

*And to attend the 1961 convention

Some of the best informed and most courageous leaders write for the U.S. Farm News.

Many members write letters. The Association gives the alert and independent citizen a sort of a political home. The U.S. Farm News provides him with a medium for the free expression of opinion.

Each year these people meet in Des Moines for

their annual convention.

Make sure that you can attend this year. The date will be announced in the next issue of U.S. Farm News.

Below is a report of one member who attended his first Association convention last year.

McKean's Convention Report

The U. S. Farmers Association held its annual convention in the Masonic Temple in the city of Des Moines, Iowa on Sept. 23rd and 24th. Fred W. Stover, president of the organization, chaired the convention. Other farm groups may boast of greater attendance, but for democratic procedure none can compare. Quorum rules called for delegates from a minimum number of states and this minimum was easily exceeded.

This convention was unique in modern society. It was a rank and file convention. Any delegate who had anything to say was given genuine freedom of speech. The speakers were named, and also the state from which they came. From memory I recall speakers from Idaho, Michigan, Texas, Illinois, Wisconsin, Nebraska, Minnesota, Montana and of course Iowa. Flowery oratory was conspicuously lacking. All speakers talked of controversial matters of which the really vital issues of today are composed. When granted the privilege of the floor, I was told by our chairman that I had complete freedom to say whatever I wish and as much time as I wanted in which to say it!

For the benefit of those who ask why I went to Des Moines, I offer the comparison of how I have been treated in my home town, when the need to speak out against bigotry and social ignorance was overpowering. For silence—either imposed from without or adopted from cowardly choice, always implies consent. When I asked to be allowed to speak in the high school auditorium, which was built with taxes that included my own, I was denied because of assassin smear efforts of ignorant scoundrels clothed in the sanctity of religion and wrapped in the foul flag of chauvinism substituting for patriotism. When my local organization, my home town newspaper, and those with whom contact is intimate refuse me the fundamental freedom of them all, the right of free thought and expression, then I must

seek elsewhere in defense of intellectual honesty and moral integrity.

Psychologists tell us that we not only run because we are afraid, but far more significantly, we ARE AFRAID BECAUSE WE RUN. Those who elected to run from McCarthyism and the red smear are now so fearful that a psychopath like Birnie, or mountebank like Overcash, are accepted in respectable channels and given every opportunity to preach their philosophy of hatred, bigotry, distrust, and anti-intellectualism. Those who love their ignorant prejudice will deny all effort to enlighten, and by the same token pay to have it corroborated.

The U. S. Farmers Association does not restrict membership solely to farmers. There are many people in all walks of life who find themselves hopelessly handicapped, in their efforts toward a world of brotherhood, plenty and peace by lack of an organization with leaders who did not run and are not afraid. The U. S. Farmers Association meets this requirement. We welcome the opportunity to share our love, our faith, our courage and whatever of truth grows and abounds in this favorable environment, with any like-minded mortal.

At the election of ten directors, I was nominated but could do little else but decline the nomination, since I was (shamefully enough) the only delegate from Montana. Mr. Stover was re-elected president. Those who may be interested in becoming members are informed that dues are \$10.00 per year and include subscription to our official paper, U. S. Farm News.

Those seeking immediate, tangible or material reward had best look elsewhere, but those who wish to serve that greatest of all causes, the cause of human brotherhood, are welcome to share our calmness, sacrifice and also our faith, courage and love.

Hobart McKean, Circle, Mont.

The U.S. Farmers' Association

The U.S. Farmers' Association was organized by farmers who had been members and leaders of the Iowa Farmers Union and it is now supported by not only former Iowa Farmers Union members but farmers in other states who, like the Iowa farmers, are dissatisfied with the way the National Farmers Union has abandoned the fight for farm price supports and retreated on other vital issues that are equally important.

The Association is chartered in the state of Iowa under the provisions of Chapter 504, Code of Iowa and its articles of incorporation are duly filed with the Secretary of State in Des Moines, Iowa.

The founders and charter members of the Association are committed to promoting some of the principles that the National Farmers Union abandoned.

In addition to the question of farm price or income supports, this included: returning the control of our money to Congress, effective price control, abolition of conscription, civil rights and last but not least the whole question of the militarization of our economy, challenging the presumption of the cold war and striving for a war-less world through general and complete disarmament.

The Association now has members in many states and the Association's Newspaper the U.S. Farm News goes to readers in most of the states and to various foreign countries.

The leaders of the Association don't believe that the farm problem can be isolated or detached from these other problems. It cannot be compartmentalized. It is inter-related with other economic, social and political problems and the domestic problems are related to international problems.

The struggle to maintain security and freedom on the land for the farm families in America is today a part of a world struggle that can be resolved only through general and complete world disarmament so that the billions spent for arms and bombs can be channeled into peaceful uses to raise the standard of living for all the people in an economy of balanced abundance.

THE IOWA FARMERS ASSOCIATION

Because of the sharp differences over the most vital issues on which the Iowa organization, the old Iowa Farmers Union refused to capitulate the officers of the national organization took action to "rule or ruin" the Iowa Farmers Union.

The first move was at the state convention in Des Moines in 1950 and the Board meeting that followed. With the eager help of the press they tried to seize control of the Iowa Union, its office and bank account. They read "proclamations" declaring the old officers were now out and they then "installed" their own handpicked officers who never had been elected to such positions.

In March of 1954 the national officers went through the motions of revoking the charter since all other moves to gain control had failed.

Since 1950 there have been many law suits most of which are still not closed. There have been injunction suits, suits for contempt of court, suits over educational funds and suits over the control of the F. U. Seed Service at Cedar Falls.

The final chapter has yet to be written when the cases are finally closed. But it will be written and reported in the U. S. Farm News.

At the last state convention the Iowa organization voted to change its name to Iowa Farmers Association.

The two organizations occupy the same office at 517 Kao, Des Moines, Iowa and now have a joint Membership agreement covered by one membership card and each Association receives half of the \$10.00 annual dues.

MR. FARMER!

- Do you think a political party should carry out its party platform and campaign pledges when elected to power?
- Do you think the Kennedy Administration should fulfill its 1960 farm platform commitments including the pledge of price supports at "not less than 90% of parity?"
- Do you think that in referendums, farmers should have opportunity to vote for real alternatives instead of a single this-or-nothing choice loaded by the Secretary of Agriculture?
- Do you think that farmers should demand this through their farm organizations?
- Will you support such an organization?

Then join the one independent organization that dares to ask for what is needed — and for what has been promised.

Send your dues of \$10.00 to

U.S. Farmers' Association
517 Kao, Des Moines, Iowa

Do it now. You will be glad you did.

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Address _____
Town _____
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ADMINISTRATIVE FILE

Automation

A

X

September 8, 1961

Mr. Fred Stover, President
U. S. Foresters Association
517 Keo way
Des Moines 9, Iowa

Dear Mr. Stover:

Mr. I. Riggs has requested that we furnish you with a supply of WHAT AUTOMATION MEANS TO YOU for your forthcoming convention to be held the end of this month. I am sending you 25 copies of this booklet and hope you find it helpful.

I regret that we are not able to supply you with 250 copies as Mr. Riggs requested but our supply is almost exhausted, and we are only able to furnish you with 25 at this time.

Good luck on your convention and if there is anything further I can do, please do not hesitate to call on me.

Very truly yours,

Abraham Weiss
Economist

AW/lp
Encle.

cc: Mr. I. Riggs

Mr. Riggs:

Enclosed are six copies of the booklet as requested in your letter of September 8.

A.W.

Nelson, Nebraska

Sept. 5, 1961

Mr. Abraham Weiss, A-1 Economist
25 Louisiana Ave., N.W.
Washington 1, D.C.

Dear Sir:

Your succinct pamphlet, "What
Automation Means to You" should be a
"text" in every socio-economics class,
junior high school upwards.

Leisure is thrust upon man,
he will now have time to civilize
himself.

I would greatly appreciate
6 copies if they may be
spared.

Appreciatively,
J. Riggs

No extortionation without representation.

Nelson, Harry
Sept 1 '61

Mr. Abraham Weiss
c/o International Brotherhood of Teamsters
25 Washington Av., N.W. Washington 1, D.C.

Dear Sir:

Thank you very much for copy of "what automation means to you;" will excerpt it -with proper credit for upcoming issue of U.S. Farm News, a Des Moines, Iowa, published bi-monthly by U.S. Farmers Association, the membership of which is mostly in Iowa. Their convention is the last of this month. ^{of ok} Would the Teamsters Brotherhood be in a position to furnish them with 250 copies of "what automation..."? On

chance your supply is sufficient, their address:
Mr. Fred Stover, President
U.S. Farmers Association
517 Keo Way
Des Moines 4, Iowa

They would appreciate even 25 or 50 copies but are "reading farmers" and it would not be wasted if those in attendance could all take home a copy. Mr. Stover had hoped to ask a Teamster official to speak at the convention but was sure on time locally precluded getting down to St. Louis to ask Mr. Harold Gibbons personally.

You might be interested to know where I learned of your timely pamphlet: thru the Australian Legion Journal, an old copy - 1956; it excerpted "what automation..." and promised more in the next issue.

The uneasy strategy: keep Mr. Hoffa busy hanging on to what he has so he can't expand. It works legislatively, too.

Sincerely,

I. R. Jones

Will send label for copy of July-Aug U.S. Farm News to be sent to you; hope your alert secretary will call your attention to it. Should be along in about 10 days.

A Significant Review from an English Language Journal
Printed in Moscow

BOOK REVIEWS

THE THOUGHTFUL AMERICAN

A. LEONIDOV

ADLAI STEVENSON has given the American reader a report of his extended visit to the Soviet Union last summer. Mr. Stevenson holds a high place among American politicians and was the Democratic Party's Presidential candidate in 1952 and 1956. What he has to say will undoubtedly be heeded by millions of his fellow-countrymen.

And what he has to say in this book is interesting—interesting even to those about whom the book is written, which is not always the case. Mr. Stevenson is a facile writer and shrewd observer and with a good sense of humor to boot. He is, in a way, the account of a traveler to a distant and unexplored planet—the planet of socialism. He observes it, makes copious notes and takes photographs but always with the thought: What about the future? Can my own planet continue to live in the same galaxy with this one, so strange and dissimilar? Which of the two is moving at a faster pace? Which is increasing its attractive power, and, consequently will eventually attract the other?

There is no irritation, no angry shouting, nor attempts at intimidation. There is instead reasoning. It is to the reasoning that the basic value of the book lies, as compared with dozens perhaps hundreds of assessments by other Americans who wander through the socialist world with a camera and shrewd book to produce, on their return, a sensational opus in which Baron Munchausen is combined with a Pinkerton detective story.

Mr. Stevenson, however, is not that kind of traveler or that kind of author. He is a serious and conscious balancer in the capitalist system. What he saw in the Soviet Union was not very much to his liking as a champion of that system. But he remains a realist above all. The interests of his world, the old world, are too important for him to try to conceal or discount the truth about the new world.

However, the whole truth, or even most of it, will not be found in this book. Nor can it be said that Mr. Stevenson is entirely free of bourgeois prejudices when he views and assesses socialism. There is much he

failed to understand, a few things he failed to notice, and a few more he evidently did not want to notice. There are also traces of the misconceptions of Russia one finds in many foreign accounts of the country. For instance, men in the USSR, he tells us, are "long-haired." And this is his curious remark about road transport: "The first thing you notice is that there are trucks but almost no automobiles in the streets." More incongruities could be cited.

But that is all trivial. Mr. Stevenson did see, and appreciate the distinctive features of the Soviet Union, as was only to be expected from so shrewd a spokesman of American capitalism. And it is these distinctive features that make up the bulk of his impressions and interpretations.

* * *

What, then, are the distinctive features? Mr. Stevenson thinks they consist in socialism's rapid advance. For all his detachment and level-headedness, he is obviously astounded by the Soviet rate of growth, wholly unknown anywhere in his own world. And pointing to the dynamic progress of the Soviet economy, he asks:

"Can our American system prevail in competition with the central planning, control and direction of the Soviet system? Can we mobilize, organize and utilize human and natural resources as effectively as they can?" (p. XVIII).

To whom belongs the future? That, essentially, is the question posed by Mr. Stevenson. Posed but not answered, for he has no real confidence in his own world, which he compares with ancient Athens in its effort to hold out against Sparta. He loves that world, he is part of it, but looking at it from Soviet soil, he cannot but notice obvious symptoms of deterioration.

"Why do we spend more money on advertising than on college education—on tobacco than on textbooks—on entertainment than on urban renewal?" he asks. And though he denies that the capitalist system is "obsolete," he does not want to mislead his readers about the prospect for the future.

In fact, he tells them: "The next ten years, I would guess, will really prove whether this nation [the U.S.]

NEW TIMES • No. 28

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Mr. Stevenson, however, does not invite Americans to learn from the Communists. No, the key to his message is the Communist Party remains true and faithful to its class. But in the year of 1969 he is teaching very few Americans that the dollar has lost a good deal of its net buying power. That the dollar has lost a good deal of its net buying power cannot be reversed or stemmed; it does not have to be. The dollar is not the U. S. dollar. It is the dollar of the simple truth home. Mr. Stevenson draws another significant historical parallel.

— I confess that wherever I hear talk about what we the great free Western democracies . . . and we are not do or afford to do I am reminded of the imperial Manchus who did send the Westerns to Siberia for inventing steamships. The Manchus were so noble for their glory and power we have vanished like a line.

(p. xxxii)

But can they afford to continue in their gilded
junos? Stevenson thinks of the morrow with a feeling
of apprehension.

Are the U.S.R.'s present achievements a "temporary nuisance," to be followed by setbacks reversals and defeats? His answer is No. He writes:

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it was not easy, one suspects, for Mr. Stevenson to draw that conclusion. That he has drawn it shows that, like few capitalist politicians, he is not afraid to face the facts.

That is a matter of taste, of course. But it is not at all unlikely that people in the Soviet Union will, to some degree, agree with this criticism. The Soviet press carries frequent news items and readers' letters pointing to defects in the operation of our light industries.

All this, let it be said, comes from a staunch supporter of capitalism and a prominent spokesman of the

"Check you' hats, gentlemen."
Grozev in Strahel (Sofia)

Western world. Mr. Stevenson has called his book "Friends and Enemies" though nothing he saw in the Soviet Union gave the ordinary Westerner any grounds for regarding the U.S.S.R. as an enemy. The important thing is that his negative and biased attitude notwithstanding, Mr. Stevenson draws some highly useful and significant conclusions for American policy.

First he contends, Washington must give up, once and for all, all its illusions and self-deception about the Soviet Union. The time has come to reckon with realities.

"We have been badly informed and are badly mistaken. The Soviet Union is a stable power system and is not on the brink of internal collapse... Our emotional reaction to the rise of Communism has been to reject reality, aided and abetted of late by our political leaders. We were not prepared for Sputnik or the Soviet economic challenge. But the illusion of our superiority, together with the denial of unpleasant realities, is a bad basis for foreign policy. I hope we are fast approaching the end of this era of innocence and ignorance" (pp. 14-15).

Sound thinking, and there is no point in questioning the advisability of injecting such terms as "innocence" and "ignorance." Mr. Stevenson's over-all thought is that an end should be put to post-Soviet-American relations. He writes:

"I think we must plug patiently away at stopping the arms race, with international supervision, and purge any lingering ideas of military superiority which will only accelerate the arms race. I think it would be most realistic and helpful if we recognized the principle of equality with the Soviet Union... And the hope is that little by little we can break away from the concept of each other as the enemy and reduce fear and distrust" (p. 124).

Mr. Stevenson is not a lone voice. Similar views have been expressed in recent months by other prominent Americans—Harrison, Kennan, Lippmann and Werburg, for instance. A new school of foreign-policy thinking, it is said, is coming to the fore in the United States and the West generally—the "negotiation school" as a counterweight to the cold-war school. None of its proponents can be classed even as moderately Left. They are seasoned spokesmen of the ruling class and most of them belong to its upper crust. But realities are forcing them to revise their views and conceptions.

Men like Adlai Stevenson are coming to see that capitalism has nothing to gain and everything to lose from the cold war. Having taken a closer look at the

strength, present and latent, of the socialist camp, they have decided that it is not wise to hover on the brink of a third world war. The programme of the military-industrial oligarchy which wants to perpetuate the arms drive in furtherance of its selfish aims, no longer suits them. They do not of course want to yield to socialism, which they abhor no less than the cold warriors do. But they feel that socialism cannot be destroyed by force; hence the search for a more subtle capitalist strategy, one better adapted to the era of peaceful co-existence.

"Friends and Enemies" is a product of this sober-minded school of thought. It is to be hoped that its conclusions will be pondered over in the West, and more especially in the United States. The more thinking Americans there are, the better for the world.

Promoting Enduring Peace, Inc.
112 Beach Avenue
Woodmont, Connecticut

Recognizing the importance of active work for peace through the stimulation of thought and discussion on national and international problems, I desire to become a member of Promoting Enduring Peace, as I have indicated below.

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August, 1961

Vol. 21 No. 2

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FACTS FOR FARMERS

CAPITAL AND CREDIT NEEDS IN AGRICULTURE

The "technological revolution," as it is popularly called, has already wrought rapid changes in U.S. agriculture and more can be expected. Along with these, the problems of capital and credit have become more acute. These are usually neglected owing to the more overriding concern with the problem of pricing, including government supports and farm-to-market spreads.

While using less labor and no additional land, U.S. agriculture has, in recent years, been increasing its total output. In so doing, farmers have required more capital so that they might buy new, improved, more efficient machinery and equipment, also more fertilizer, pesticides, sprays, and other chemicals. Thousands of farmers unable to afford the cost of these new methods of farming, because they either lacked financial resources or their own or could not borrow the money needed, have had to quit farming. Others have sought to straggle along, trying to make ends meet, by doing more off-farm work where possible. Many by reluctantly entering into vertical integration contracts, or trying to put their farms, wholly or in part, into the co-op bank program.

More Capital Needed to Farm

A book recently published by the Iowa State University Press, "Capital and Credit Needs in a Changing Agriculture," pulls together a great wealth of data on current trends in agriculture showing how the scale of farm operations has been expanding. Edited by three economists—E. L. Baum, Chief of the TVA's Agricultural Economics Branch, Howard G. Diceson, Associate Managing Director of the Farm Foundation, and Earl O. Heady, Professor of Economics at Iowa State University—this book offers a symposium of papers by leading experts in their field of farm capital and credit.

Some of the findings are quite striking, for example, those showing the increase in capital per farm on specified types of commercial family-operated farms between 1940 and 1959. From an average of \$9,809 in 1940, the total capital invested in commercial family-operated dairy farms in the Central Northeast had risen to a per-farm average of \$38,786 in 1959. For hog-beef fattening farms in the Corn Belt, the rise was from \$20,990 to \$75,428; for cash-grain farms in the Corn Belt, from \$31,476 to \$113,280; for wheat-small grain-livestock farms on the Northern Plains, from \$19,830 to \$57,910; for wheat-pea farms in Washington and Idaho, from \$98,976 to \$183,810; for cotton farms on the Black Plains, from \$8,880 to \$34,510; for irrigated cotton farms on the High Plains of Texas, from \$34,130 to \$107,850; and for farms in the Southern Piedmont, from \$4,760 to \$30,630.

* "CAPITAL AND CREDIT NEEDS IN A CHANGING AGRICULTURE," edited by E. L. Baum, Howard G. Diceson and Earl O. Heady, 1961. Published by The Iowa State University Press, Ames, Ia., 466 pp., \$3.95.

Changes in Asset and Debt Structure, U.S. Agriculture, 1940-59

Year	Value of farm assets (current dollars)		Farm debt*	Debt as percent of assets
	in billions			
1946	\$102	\$ 7.7	7.5%	
1947	113.9	8.4	7.4	
1948	125.2	9.2	7.3	
1949	132.1	10.2	7.7	
1950	130.8	10.8	8.3	
1951	149.6	12.3	8.2	
1953	185.6	14.0	8.5	
1954	182.8	14.8	9.1	
1954	150.7	14.8	9.3	
1955	164.7	15.8	9.5	
1956	188.3	17.0	10.1	
1957	178.4	17.9	10.1	
1958	188.4	19.0	10.2	
1959	203.1	20.8	10.2	
1960	203.6	22.9	11.2	

* Includes farm mortgage debt and some non-real estate debt but not credit advanced by dealers and merchants.

Source: Ibid., p. 133, USDA Agricultural Outlook Charts, 1961.

This is indeed a far cry from the time, just two or three generations ago, when anybody with a strong back and the will to become a farmer could file a claim for a homestead on the public domain and become a soilbuster. Today, a would-be farmer must either marry the farmer's daughter or be able to raise between \$20,000 and \$100,000 before he can hope to set out on his own.

Biggest Increase in Machinery

The composition of capital used in agriculture has undergone marked changes in recent years. Particularly striking is the greater investment in farm machinery. From \$2.8 billion in 1940-43, the value of machinery and motor vehicles on farms was up to \$15.7 billion in 1959. Measured in constant (1947-49) dollars, the increase was from \$4.4 billion to \$10.2 billion.

About 70% of the total value of all productive assets used in U.S. agriculture is represented by farm land and buildings, these being the biggest item on the cost side. Machinery and motor vehicles have, however, continued to move up, now comprising over 10%, and perhaps 15% of the total, as compared with only 3% to 4% of the total in 1935-39.

As concentration in agriculture continues and the scale of farm operations becomes larger, the farm debt, including farm mortgage and non-real estate loans, has more than kept pace, climb-

ing from \$7.7 billion in 1940 to \$20.8 billion in 1959. It has increased faster than the value of farm assets—from a ratio of 7.5% in 1940, the farm debt was up to 10.2% of the value of total farm assets in 1959.

Farm Debt Understated

The farm debt is, however, considerably larger than indicated by these Department of Agriculture figures, which take into account only farm mortgages and various intermediate types of loans.

The USDA's annual "Balance Sheet of Agriculture" acknowledges that its estimates on "merchant and dealer credit," advances made to enable farmers to buy feed, fertilizer, seed, etc., are "based on fragmentary data." Completely omitted is "vertical integration," which uses credit as the lure to get farmers to sign away, in greater or lesser degree, their rights to manage their own operations.

Little Capital Means Little Income

Studies of low-income farms show that the amount of resources, capital and credit, available to them are substantially below the average. For example, in northeast Texas where the average value of productive resources per farm is \$14,763, the smaller farms, those having annual market receipts of under \$2,000 a piece, had farm resources valued at only \$9,334 per farm. The full-time farmers in this area had total farm resources valued at \$31,451 per farm, but the resources of those full-time farmers whose annual sales were under \$2,000 per farm had an average value of less than \$13,000.

Should low-income farms be helped to get more capital? No, say two of the authors in the symposium, William E. Hendrix of the USDA and Ben T. Lanham, Jr. of Auburn University. In their jointly written paper, they declare, "It does not follow, however, that the placing of large quantities of capital in the hands of many of the nation's low income farmers would appreciably improve their income situation."

They insist that only a "limited number of carefully selected low-income farmers" can put additional capital to good use, thereby improving their incomes and net worth. How many? They say the question "cannot be answered precisely." But they are nevertheless sure the number would be "only a small percentage of all chronic low-income farmers."

Small Farmers Can Be Aided

Curiously enough, the authors ignore the experience of the Farm Security Administration during the Roosevelt Administration. Year after year, at House and Senate Committee hearings, FSA records were sifted, scrutinized and subjected to every form of hostile cross-fire criticism but always the results pointed to the same conclusion: When given low-cost credit and a little technical assistance, 98 or 99 out of every 100 small farm borrowers repaid the

(Cont'd on p. 2, col. 1)

PROGRAM DELAY THREATENS DISASTER

The Agricultural Census of 1955 revealed such sweeping changes in American farming that our lawmakers are appalled. The most striking change is the loss of a million farms during the 5 preceding years — one farmer less every three months. And along side of this, the number of farms which sold annually more than \$10,000 in products increased 36%, or, by 212,000! The cost-price squeeze, technological change, and above all, the advantages of accumulated capital, are driving small farmers out of business by hundreds of thousands each year; and the big farmers are getting bigger.

Before a Senate committee on May 2, Secretary of Agriculture Freeman sounded this note of urgency: "If we do not, this year, arrive at a satisfactory farm program we may, in fact, pass the point of no return, beyond which we expect only economic disaster for the farmer, and a blight on the entire economy." (Agricultural Act of 1961, Senate Hearings, Part I.) This sentiment was shared by most of the members of the Congress sitting on the agricultural committee, and while they expressed firm opinions that past and present government programs have not done the job of safeguarding American farmers and preserving their economic status in a rapidly changing world, there isn't much they want to change in the programs.

Secretary Freeman is worried about three things: 1) present programs involve a huge cost to the government, but more important, the accumulating stocks of surpluses are rapidly becoming unmanageable; 2) low prices are driving farmers off the farms, adding to the unemployment in the cities; 3) the continued growth of corporate farming will mean, eventually, the monopolization of farming, and then a wave of higher prices to consumers — too late for the millions who have lost their farm lands.

Are Farmers Important?

"Farmers today constitute a shrinking minority in our population, and their representation in the Congress is shrinking accordingly." (Sec'y Freeman). It is certainly true that the representation in Congress, even at the present time, is not posing any threat to the general business community — or any possibility of real change in the condition of the farmers. The most distinguished organ of "big business," Fortune Magazine, had a 4-page analysis of the business outlook in their

CAPITAL NEEDS—(Cont'd from p. 1)

government every cent that they borrowed, plus the interest. They proved to be much better credit risks than were the big borrowers from the RFC, such as the railroads and large corporations.

Why, then, was the Farm Security Administration so bitterly opposed, finally being transformed into a mere shadow of its former self, the current Farmers Home Administration? Not because the small farmers proved incapable of improving themselves but, on the contrary, because they did too well. Big agriculture and big business, acting together, were out to swallow up the smaller farms, not to save them. June issue, and had not a single com-

ment to make on the effort of agriculture on the general economic picture, except the statement, "... a leveling of food prices, which is in prospect as meat supplies expand, will help to curb inflation ..."

The farming industry still buys about \$40 billion a year from the non-farm economy, so that big business should be vitally interested in the purchasing power of the farmer. Thirty years ago or more, business forecasters gave the prospects of farm income first place in predicting mass purchasing power and the level of industrial activity; nowadays, it is taken for granted, and expected, that farm products will sell at low prices (to reduce inflation) and farmers will continue to buy at the rising prices of an industrial boom.

The farmers of this country — those who find their economic position something less than a "bed of roses" will need to do something more than they have been doing to distract our lawmakers and industrial leaders from their concentration on the rising stock market.

Should Farm Programs Be Changed?

A University of Chicago panel of agricultural experts reached this conclusion on the past and present farm programs: "Post-World War II farm policies, including those currently advocated by Secretary of Agriculture Freeman, present nothing that is really new, and little that has not been tried before. They offer almost no hope of a permanent solution to the farm income problem." (Ninth Annual Management Conference, March 1, 1961) This panel sounded one constructive note: "Past farm programs have failed because (amongst other reasons) programs have not been implemented to increase the size of the farms to a level which is known to be more efficient, but still within the range of family-ownership responsibility."

The spokesman for the Farm Bureau, Mr. Charles B. Shuman, did not express any regrets for the past and present programs in his recent Congressional testimony; he advocated further exten-

sion of the "cropland adjustment program," even though it has been adopted in the past and proven to be an effective instrument for making the poor poorer and the rich richer. One of Mr. Shuman's former witnesses proved the point in the Senate Hearings. Under average reduction, he left follow the "family" land, poured maximum fertilizer into the cultivated area, and planted alfalfa on the idle land which would bring a 30-bushel an acre increase in yield the following year.

Mr. Shuman opposed the Administration's farm bill — particularly that feature which would give the farmers direct participation in the formulation of farm programs. He also opposed the exemption of 15 acres or less planted in wheat (and all other exemption provisions). Since all these policies of the Farm Bureau led to an increased tempo of concentration of ownership — in fact, government-sponsored and government-subsidized concentration — Mr. Shuman rationalized away the very existence of corporate farms: "There are very few real corporate enterprises in agriculture" (p. 147, Hearings).

Technological Change and Unemployment

There has been a tidal wave of talk and speculation about technological change, rate of economic growth and the permanent body of unemployed during the coming decade or two. Where does agriculture fit into this picture? This is how Sec'y Freeman sees it:

American agriculture has tripled its output per hour of labor during the past decade, while industry has only doubled its productivity. Farm output during the past decade increased 28%, using one-third less labor, and 6% less cropland.

Thus technological revolution has just begun. Only a few of our farmers are using all of the new technology to the best advantage. If all our farm production in 1975 were to be carried on with only the best techniques in use now, we still would not need all our cropland for the estimated population of 225 million in 1975. And the progress in technique is proceeding at an accelerated rate.

How will agriculture fare in this wave of technological change? Karl Brandt of Stanford University (Adjunctments in Agriculture, Iowa State University Press, 1961) reaches the conclusion that employment in agriculture will decline from 5.9 million in 1960 to 4.9 million by 1970. It is also estimated that the number of additional persons requiring work, by 1970 will grow by 13.5 million. Since technological

Productive Assets Per Farm in 1947-49 Prices, Averages for U.S.

Period	Farm real estate*	Livestock	Machinery & motor vehicles	Feed crop inventory	Working capital	Total, and real assets	Total
1944-46	\$10,125	\$2,514	\$ 738	\$1,006	\$671	\$14,929	\$15,054
1947-49	10,681	2,277	1,069	1,017	690	15,053	15,744
1950-52	11,491	2,457	1,716	1,120	777	16,070	17,561
1953-55	12,445	2,789	2,058	1,192	808	18,847	19,292
1956-58	13,483	2,984	2,141	1,441	844	20,893	21,893
1959	14,190	3,192	2,200	1,766	884	22,044	22,234

* Excludes value of dwelling but includes farm buildings. Source: Ibid., p. 107. Excludes value of land and stock.

THE OMNIBUS FARM BILL

The late banking over the Kennedy Administration's omnibus farm bill proves, if proof were needed, that the big objections against any serious effort by Congress to deal with the plight of the nation's working farmers has been effective.

The bill presented to the Senate for debate has, like its counterpart in the House, been emasculated to the point where no substantial benefits to the farmers are possible without major revisions.

It should be said, in all frankness, that the Administration has not mobilized its political regiments on behalf of its own farm legislation as it has on the Berlin crisis.

The omnibus bill was drafted by Willard Cochrane and sponsored by his chief, Orville Freeman, Agriculture Secretary. Its key proposal was that the Agriculture Department should be given wide authority to devise an overall crop-by-crop program to restrict production to demand.

Commodity by Commodity

The Administration bill was based on the theory that, as President Kennedy said in his agricultural message to Congress in March, "There is no single farm problem, and no single solution." He added, "agriculture needs a commodity-by-commodity approach."

The opposition has had a different view, a view that was voiced emphatically at the National Farm Institute meeting in Des Moines last February. That view was that there is one problem: too many farmers; and one solution: get more farmers off the farm. Speaker after speaker at the Institute meeting made that point.

The Cochrane-Freeman proposal was countered in Congress by the charge that the Administration was trying to curtail congressional prerogatives. The main champions of this rebuttal were the conservative Republicans and their bed-fellows from the South, the Dixiecrats.

change is affecting all sections of the economy, particularly industry, it is obvious that we have just begun to feel the effects of permanently high rates of unemployment in the U.S. in farm and non-farm areas. Since the government is talking about retraining the displaced factory workers, it ought to start talking about programs to keep the farmers on their farms. And farmers displaced by new techniques on the farm should begin to talk to workers displaced by new techniques in the factory, for their problems are the same, and can be solved best by working together.

Barring the calamity of war, or a sustained drought, or drastic changes in public policy, by 1965 or 1975, surplus production is likely to be a continuous and prominent feature of U.S. farming. Again, "clearly the pressures on the returns earned by people and resources in farming will become more intense over the years ahead." These are the projections of professors of agriculture in our leading universities. "Drastic changes in public policy" are the urgent need of today, and tomorrow, and yet our lawmakers seem to be unable to agree on relatively minor changes.

"Family Farm" Slighted

It was perhaps symbolic of the House committee's action that it deleted from the preamble of the bill the words "family farm." The kickback was immediate and the committee responded by restoring the words but it did nothing to provide a bill which would save the "family farm." The mutilation of the Administration bill was carried through in a war of attrition which reduced the items covered in the revised House bill to peanuts, turkeys, cranberries and, in some state to apples. The Senate Agriculture Committee agreed to accept also lamb, broom corn, buckwheat, hay and maple syrup, among the crops for which programs could be worked out.

The total of commodities permitted to go through by the agriculture committees of both houses was, however, only a drop in the bucket of what the Administration had proposed.

Processors in Referendum

Two of the crops — apples and cranberries — were included in the House version in a unique framework. Usually the marketing orders are supposed to be framed by the "producers." The House proposal for apples and cranberries is, however, that the processors whose products represent 50% of the market or more will have to give their approval.

The Administration managed to rescue only a stop-gap wheat plan under which farmers would be required to cut their 1962 acreage 10% to be eligible for price supports on next year's crop. The price supports would be raised from the current \$1.79 a bushel to \$2.

Farmers would receive either cash payments or wheat from the government's stockpile, equal to 50% of the 1959-60 average annual yield on the set-aside acreage under the House bill and 40% under the Senate bill.

Stop-Gap for Wheat & Feed Grains

Farmers agreeing to cut their acreage an additional 30% would receive cash or surplus wheat equal to 60% of their average yield on this land under the House bill, and 50% under the Senate bill.

The House committee bill would extend for another year the 1961 feed grains program passed earlier this year by Congress. Under the extension farmers must reduce 1962 barley acreage as well as corn and grain sorghum plantings by 20% to receive price supports for any of the feed grains. Farmers will receive either cash or surplus grains in return for the 20% mandatory cut and for an additional 20% voluntary cut.

In the field of farm credit the House committee also sidetracked a proposal for Farmers Home Administration loans for collective purchase of farm facilities and equipment.

Opposition Marshalled

The magnitude of the Republican opposition to the bill can be gauged by the fact that they wheeled Richard Nixon into the fray with a major gaily speech in Des Moines on May 6, as we reported in our June issue.

Within farm ranks the main barrage on the bill came from the American Farm Bureau Federation, through its president, Charles B. Shuman. Also opposed were the American National Cattlemen's Association, the National Livestock Feeders Association, the National Livestock Producers Association, the National Cotton Council, and various vegetable and fruit growers associations.

The National Milk Producers Federation found enough exceptions in the Administration bill to put the Federation in the opposition column. The American Poultry and Hatchery Federation landed there also, on the basis of just one major objection.

"Agribusiness" Vexed

Shuman's allies were the U.S. Chamber of Commerce, the John Birch Society, the National Canners Association, the Institute of American Poultry Industries, and others, as our June issue reported.

The National Farmers Union, the National Grange, and others did not marshal enough determined action to counter this opposition phalanx.

Whatever the specific objections, one thought is probably common to all the objectors within agriculture's ranks — they take the position that the fewer farmers the better, and that any kind of support to the smaller farmers is worse than none.

Forecasts Farm Debacle

The Administration has not yet expressed itself on where this debacle leaves the farmers. However, last May 3, in an appearance before the Senate Agriculture Committee, Orville Freeman warned that the whole price support program might be scuttled and that, in consequence, "millions of farmers, their incomes depressed below subsistence level, would swell the ranks of the unemployed, would crowd already crowded areas of our cities, seeking jobs."

He continued:

"Further decline in income for the family farm could lead to a corporate type agriculture controlled by outside capital. Hired labor would increasingly replace work done by the farm operator ..."

Recent Administration activities suggest, however, that it had other things on its mind than the cruel fate that Freeman predicted for the farmers if adequate legislation were not adopted at this session.

Small Farms More Dangerous

The smaller a farm is, the higher the average work injury rate," concludes a recent study made by New Mexico State University. "In fact, the study on which this statement is based shows that the smallest farms have an average injury rate nearly six times higher than the largest farms."

APL-CIO EXECUTIVE COUNCIL ABANDONS FARM LABOR ORGANIZING CAMPAIGN

Employer retaliation and indignation from agricultural labor greeted the decision of the AFL-CIO Executive Council, June 28, to abandon the 2½ year campaign of organizing agricultural labor in California. George Meany, AFL-CIO president, said the Agricultural Workers Organizing Committee — chartered to lead the campaign — would now dissolve. Meany gave a come-recess and business-unionism explanation for the action. He said the drive obtained a pack of only 3,500 members of a potential (California) work force of 250,000 and had cost \$500,000.

Leslie Krainock, public information director, and Norman Smith, director of AWOC, said farm workers and the labor movement had too much at stake to stop now, and pointed to the good record made so far in face of great odds. The announcement, however, ended organizing efforts for the time being. "The growers would just laugh in our faces," is the way one official put it.

Local union leaders and members were incensed over Meany's action. "It's lousy — that's all lousy," said one. "That's this Cadillac Cabinet we've got at the top. They look at us like a hussie. We didn't give Meany quick dues returns so he shut off the cash," another said. "This is Meany's Harvest of Shame," referring to Edward Murrow's televised program, which told of the plight of farm labor and suggested AWOC as a possible ray of hope.

Will Continue to Organize

Organized labor has big stakes in farm labor. That's why Norman Smith believes the AFL-CIO Meany decision will have to be changed sooner or later. Agriculture, with some three million workers, is the last unorganized big industry in the United States. He pointed out that California agriculture led the nation in agribusiness. Of 38 million acres cultivated in the state, 25 million acres are controlled by 5% of the farms. The \$3 billion crop goes all over the country.

"It's big business," Smith said, "and no one argues any more that the people who do the work live in a chronic state of depression, no matter what happens to the rest of the nation. . . . That is one of the reasons I plan to stay with farm labor organizing if I have to do it on an individual basis."

AWOC field offices in Marysville, Modesto, Sacramento and Fresno reported that union leaders also planned to stay on individually. "We have built up a staff of representatives and stewards from the industry. If any national union cares to pick up, the staff is ready to go," said Smith.

Claims Are Cited

AWOC leaders and members challenged Meany's statistics. They listed disability insurance won after long efforts and a minimum wage decision for women and children, as well as improvements in sanitation and field conditions, on top of actual wage increases. An AWOC leader stated farm wages in California were raised, not 5% as Meany said, but "at a minimum by 25%." Smith said that in the cherry industry alone the pickers got \$1 million in added wages during the two-year period.

"During its short life AWOC waged campaigns to organize cherry pickers,

lettuce harvesters and peach and apricot workers. Farms throughout the state were struck" (Wall Street Journal, 7/3/61). AWOC gave membership figures of 12,051 as of June 30, in reply to Meany's figure of 2,700.

Lesser AFL Politics a Factor

Many union leaders hold Meany's "unprofitable" reason to be unimportant. They feel the farm drive was a victim of the inner struggle in top AFL-CIO circles. It was no secret that Meany was cool to the drive from the start. Needed AFL-CIO seal, militancy and broad union support were absent. However, no protest was made by the industrial union bloc to the abandonment of the drive. Reuther, McDonald, Carey and other industrial department leaders made no public objection to dissolving AWOC.

A field worker commented, "In their tents and hovels, farm workers may derive comfort from the knowledge that far away there is a 'free world show-case' called West Berlin, and that a labor leader called Meany stands vigil over it."

The decision was made by the AFL-CIO top circles without consulting the people doing the job. "All we know about it is what we read in the papers," one official said. State officials of the California Federation of Labor were silent, although earlier they had been vociferous about the need of organizing farm labor.

The State Federation gave no sign of itself financing further work, or of asking its West Coast unions to establish a fund to continue the effort.

The Packinghouse Workers and Amalgamated Butcher Workmen had spearheaded the AWOC drive. Neither was thought to be a likely source of organizing field workers because they lack the necessary finances to carry through such a vast campaign.

Teamsters Enter Field

With AFL-CIO leaving the field, the Teamsters Union may move in. A rank and file committee has been meeting with Teamster officials. A meeting with Teamster president James Hoffa is being arranged.

The Teamsters seem to be regarded by many as the logical home for farm labor. Teamsters now represent cannery and frozen food workers. They cover workers in the distributing industry and drivers who haul products from the field. The growth of mechanized and wheeled equipment in agricultural industry is considered another reason why Teamsters find field workers more and more coming under their jurisdiction.

Two months ago the Teamsters signed a contract with a big Salinas

Valley grower. They also have been exploring the possibility of organization in the Pacific Northwest. Until now the Teamsters avoided jurisdictional clashes, but now with the AFL-CIO officially withdrawing, they may move in, as pledged by Hoffa at his recent convention.

Employers Elated About Suspension

California employers, while obviously jubilant, did not drop their hostility or vigilance against labor organization. "Some employers say California agriculture, marked increasingly by big operations, now will start unionization for many years" (N.Y. Times 7/3/61).

The Council of California Growers said it was "cautiously optimistic" over suspension of AWOC but was "not going to be lulled" into thinking there wouldn't be other organizing attempts by labor. O. W. Filmer, executive vice-president said, "Agriculture is not tearing down its efforts because one band of marauders has been wiped out. . . . there are many more shadows lurking outside the door."

L. A. Roman of the California Farm Bureau Federation fretted that it would be "a catastrophe for agriculture and the people of the United States to allow or encourage the Teamsters Union to enter the field of organizing farm workers."

Automating Field Productives

As to immediate plans, the growers are outlining a vast program of mechanization and automation. Twenty-five machines will be introduced into a few California tomato fields and replace 1200 workers. Growers predict hundreds more will follow to shrink the "stoop labor" force of 30,000 to a force of 10,000 in the next five years.

N. Y. Times (6/30/61) says: "Although most segments of agriculture have been heavily mechanized for years, hand harvesting of tree fruits and most vegetable crops has remained a laborious necessity. But spurred by an AFL-CIO campaign to organize field hands, California specialty crop growers are pushing development of machines that will help them beat rising labor costs."

These "rising labor costs" are the subject of a long article in the N. Y. Times of July 16, titled "Arkansas Field Pay Falls to 50c an Hour." It states, "The prevailing wage rates posted in employment offices in the area (the Delta) range from 30c an hour in some counties to 50c in others. Actual pay during most of the chopping season has been 30c this year."

An encouraging sign that someone is stepping into the breach vacated by AFL-CIO is news that Mrs. Cyrus McCormick and a committee of Southampton socialites are arranging a champagne-fashion show August 15 on the Long Island estate of Mrs. Cleveland Bacon "toward providing educational, health and recreational facilities for thousands of migrant workers and their families in this area" (N. Y. Times 7/4/61).

Subscription rates to Facts for Farmers are \$1.50 a year or \$3.50 for 3 years. Readers wishing to get extra copies for distribution may obtain them at our special rate of 12 copies for \$1. Send orders to Farm Research, 39 Cortlandt St., New York 7, N. Y.

ADMINISTRATIVE FILE

Automation

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July 21, 1961

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Mr. Harry Tevis
Teachers' Joint Council #40
535 Fifth Avenue - 701 Plaza Bldg.
Pittsburgh 19, Pennsylvania

Dear Harry:

In accordance with our discussion at the Miami Convention, I am forwarding under separate cover some materials dealing with automation which may be helpful to you.

Please let me know if you are interested in any other types of materials or documents dealing with this subject.

Freternally yours,

Abraham Weiss
Economist

AW/lp

7m **WESTERN UNION** *Tolson* ⁷
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CALL LETTERS	MDV	6-5-61	CHARGE TO	Intl. Bro. of Teamsters
Congressman Elmer J. Holland				ADMINISTRATIVE FILE
House Office Bldg. - Rm 404				<i>Automation</i>
Washington 1, D. C.				X
				X

Thank you for your telegram on our Goldberg testimony.
Both Mr. Zagri and I shall be in attendance Tuesday morning.

H. J. Gibbons
Executive Asst. to the
General President

Send the above message, subject to the terms on back hereof, which are hereby agreed to

PLEASE TYPE OR WRITE PLAINLY WITHIN BORDER - DO NOT FOLD
1249-(R 4-55)

Telefax

WESTERN UNION

Telefax

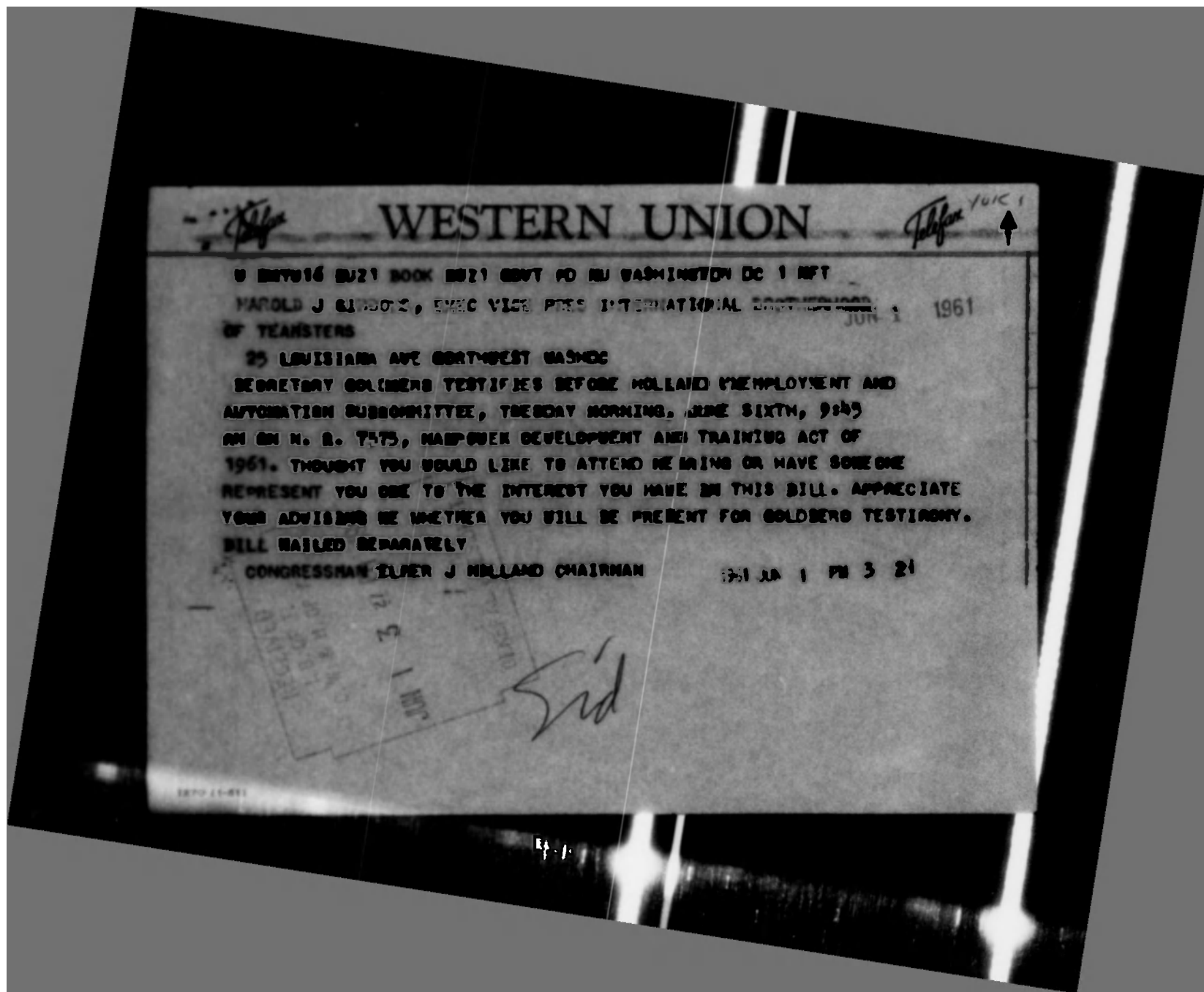
SENDING BLANK

CALL LETTERS	MDV	6-5-61	CHARGE TO	Intl. Bro. of Teamsters
Congressman Elmer J. Holland House Office Bldg. - Rm 404 Washington 1, D. C.				
Thank you for your telegram on our Goldberg testimony Both Mr. Zagri and I shall be in attendance Tuesday morning.				
cc. Zagri				
E. J. Gibbons Executive Asst. to the General President				

Send the above message, subject to the terms on back hereof, which are hereby agreed to

PLEASE TYPE OR WRITE PLAINLY WITHIN BORDER—DO NOT FOLD

1287—(K + 55)



ADMINISTRATIVE FILE

Automation

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May 8, 1961

Mr. Elmer J. Rolland,
U. S. Congressman
House Office Building, Room 404
Washington, D. C.

Dear Elmer:

I am enclosing herewith the stenographic transcript of the testimony of Vice-President Harold J. Gibbons, before your Subcommittee on April 12, 1961.

Your kind offer to insert into the Congressional Record Mr. Gibbons' complete testimony, including his answers to questions of members of the Committee, is appreciated.

With kind personal regards, I remain

Fraternally yours,

Sidney Zaari, IBT
Legislative Counsel

SZ/nm

Enclosure

ADMINISTRATIVE FILE
Automation
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4/11/61
DATE

Office of the General President

To: Mr. Weiss

From: H. J. Gibbons

Please arrange your affairs to be in Toledo on April 27 for a further debate on the matter of automation and labor's price tag as per the attached communication.

H. J. Gibbons
Executive Assistant to the
General President

HJC/yk

ADMINISTRATIVE FILE

Automation

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87TH CONGRESS
1ST SESSION

H. R. 1776

IN THE HOUSE OF REPRESENTATIVES

JANUARY 4, 1961

Mr. HOLLAND introduced the following bill; which was referred to the Committee on Education and Labor

A BILL

To provide for the gathering, evaluation, and dissemination of information, and for the formulation of plans, which will aid in the maintenance of a high level of prosperity in the United States, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

SHORT TITLE

4 SECTION 1. This Act may be cited as the "Continuing
5 Prosperity Act".

COMMISSION ON CONTINUING PROSPERITY

7 SEC. 2. (a) There is hereby created a Commission on
8 Continuing Prosperity in the Executive Office of the Presi-
9 dent (referred to in this Act as the "Commission").

1 (b) The Commission shall consist of nine members who
2 shall be appointed by the President, by and with the advice
3 and consent of the Senate.

4 (c) Of the persons appointed to the Commission and
5 serving at any given time, three shall be appointed from
6 among persons having outstanding records of achievement
7 in industry, three from among persons having outstanding
8 records in the field of organized labor, and three from
9 among distinguished citizens who have engaged impartially
10 in any activity in either industry or organized labor.

11 FUNCTIONS OF THE COMMISSION

12 SEC. 3. (a) It shall be the duty and function of the
13 Commission to make plans for now and in the future to
14 maintain continuing prosperity.

15 (b) Formulate legislative programs designed to facili-
16 tate the most effective utilization of the unemployed man-
17 power of the Nation.

18 (c) Determine basic policies for and take such steps as
19 are necessary to alleviate areas which have been determined
20 to be depressed regions by the Department of Labor or other
21 executive agency, and formulate plans and programs to help
22 and assist those industries that have encountered economic
23 difficulties.

24 (d) Study of the problems arising from the economic

1 - dislocation of workers and
2 trial automation.

3 (e) Study and report
4 Several Federal agencies, regarding the nature of the pro-
5 gram, the state of its progress, the invitation to bid, and the
6 length of time from the award till actual physical
7 construction, start making recommendations to the Pres-
8 ident for immediate action where the situation so warrants.
9 (e) Under the study which in the opinion
10 of the Commission shall shed some light on those factors in
11 the economy which are basic for continuing prosperity and
12 to explore and determine the needs of our economy.

13 (f) The Commission shall render an annual report to
14 the President on or before the 15th day of
15 January, summarizing the action of the Commission in making such recommendations.

16 (g) The President shall call the first meeting of
17 the Commission, the first order of business shall be
18 the election of a Chairman and a vice chairman.

19 The Commission shall meet on the first Monday in
20 January, the first Monday in April, the first Monday in
21 July, and the first Monday in October and at such other
22 times as the Chairman may determine, but he shall also call

23 (h) The Commission shall shed some light on those factors in
24 the economy which are basic for continuing prosperity and
25 to explore and determine the needs of our economy.
26 (i) The Commission shall render an annual report to
27 the President on or before the 15th day of
28 January, summarizing the action of the Commission in making such recommendations.
29 (j) The President shall call the first meeting of
30 the Commission, the first order of business shall be
31 the election of a Chairman and a vice chairman.
32 (k) The Commission shall meet on the first Monday in
33 January, the first Monday in April, the first Monday in
34 July, and the first Monday in October and at such other
35 times as the Chairman may determine, but he shall also call

1 a meeting whenever one-third of the members so request in
2 writing.

3 (c) A majority of the voting members of the Commis-
4 sion shall constitute a quorum.

5 (d) The members of the Commission shall receive com-
6 pensation at the rate of \$25 for each day engaged in the
7 business of the Commission pursuant to authorization of
8 the Commission and shall be allowed travel expenses as
9 authorized by section 5 of the Act of August 2, 1946 (5
10 U. S. C. 75b-2).

11 (e) Service of an individual as a member of the Com-
12 mission shall not be considered as service bringing him within
13 the provisions of section 281, 283, or 284 of title 18 of the
14 United States Code or section 190 of the Revised Statutes
15 (5 U. S. C. 99), unless the act of such individual which
16 by such section is made unlawful when performed by an
17 individual referred to in such section, is with respect to any
18 particular matter which directly involves the Commission or
19 in which the Commission is directly interested.

20 DIRECTOR OF THE COMMISSION

21 SEC. 5. (a) There shall be a Director of the Commis-
22 sion who shall be appointed by the President, by and with
23 the advice and consent of the Senate. The Chairman may

1 make recommendations to the President with respect to the
2 appointment of the Director.

3 (b) The Director shall serve as a nonvoting ex officio
4 member of the Commission. In addition, he shall be the
5 chief executive officer of the Commission at the rate of
6 \$20,000 per annum and shall serve a term of six years
7 unless sooner removed by the President.

8 (c) In addition to the powers and duties specifically
9 vested in him by this Act, the Director, in accordance with
10 the policies established by the Commission, shall exercise
11 such of the functions, powers, or duties of the Commission as
12 may be delegated to him by the Chairman.

13 SEC. 6. The Director, in accordance with such poli-
14 cies as the Commission shall from time to time prescribe,
15 shall appoint and fix the compensation of such other per-
16 sonnel as may be necessary to carry out the provisions of
17 this Act.

18 SEC. 7. The Commission within the limits of available
19 appropriations, shall have authority to do all things neces-
20 sary to carry out the provisions of this Act, including, but
21 without being limited to, the authority—

22 (a) to prescribe such rules and regulations as it

1 deems necessary governing the manner of its operations
2 and its organization and personnel;

3 (b) to obtain services as authorized by section 15
4 of the Act of August 2, 1946 (5 U. S. C. 55a), at rates
5 not to exceed \$100 per annum;

6 (c) to use, with their consent, the services, person-
7 nel, and facilities of Federal and other agencies with or
8 without reimbursement, and to cooperate with other
9 public and private agencies and instrumentalities in the
10 use of the services and facilities of the Foundation;

11 (d) to enter into contracts or other arrangements,
12 or modifications thereof, for the carrying on of work
13 which is necessary or appropriate for the purposes of
14 this Act;

15 (e) to publish or arrange for the publication of
16 materials or information when necessary, in its opinion,
17 in carrying out the purposes of this Act, without regard
18 to the provisions of section 87 of the Act of January 12,
19 1895 (28 Stat. 622), and section 11 of the Act of
20 March 1, 1919 (40 Stat. 1270; 44 U. S. C. 111); and

21 (f) to accept and utilize the services of voluntary
22 and uncompensated personnel and to provide transporta-
23 tion and subsistence as authorized by section 5 of the
24 Act of August 2, 1946 (5 U. S. C. 73b-2) for persons
25 serving without compensation.

HEARINGS AND INVESTIGATIONS

SEC. 8. (a) Any officer or employee of the Commission, when authorized by the Commission, may hold such hearings as the Commission may deem necessary for the purpose of this Act, and appropriate records of such hearings shall be kept.

(b) The Commission may, in its discretion, make such investigations as it deems necessary or appropriate to carry out the provisions of this Act.

(c) For the purpose of any such investigation, or any other proceeding under this title, any officer or employee of the Commission may administer oaths and affirmations, subpoena witnesses, compel their attendance, take evidence, and require the production of any books, papers, correspondence, memoranda, or other records deemed relevant or material to the inquiry. Such attendance of witnesses and the production of any such records may be required from any place in the United States or any State at any designated place of hearing.

(d) In the case of contumacy by, or refusal to obey a subpoena issued to, any person, the Commission may invoke the aid of any court of the United States within the jurisdiction of which such investigation is carried on, or where such person resides or carries on business, in requiring the attendance and testimony of witnesses and the production

1 of books, papers, correspondence, memoranda, and other
2 records. And such court may issue an order requiring such
3 person to appear before the officer or employee designated
4 by the Commission there to produce records, if so ordered,
5 or to give testimony touching the matter under investigation
6 or in question; and any failure to obey such order of the
7 court may be punished by such court as a contempt thereof.
8 All process in any such case may be served in the judicial
9 district whereof such person is an inhabitant or wherever he
10 may be found. Any person who shall, without just cause,
11 fail or refuse to attend and testify or to answer any lawful
12 inquiry or to produce books, papers, correspondence, memo-
13 randa, and other records, if in his power so to do, in obedi-
14 ence to any subpoena issued under this section, shall be guilty
15 of a misdemeanor and, upon conviction, shall be subject to
16 a fine of not more than \$1,000 or to imprisonment for a
17 term of not more than one year, or both.

18 (e) No person shall be excused from attending and tes-
19 tifying or from producing books, papers, contracts, agree-
20 ments, and other records and documents in any such invec-
21 tigation, or in obedience to a subpoena issued under this
22 section, on the ground that the testimony or evidence, docu-
23 mentary or otherwise, required of him may tend to
24 incriminate him or subject him to a penalty or forfeiture;
25 but no individual shall be prosecuted or subject to any pen-

1 alty or forfeiture for or on account of any transaction, matter,
2 or thing concerning which he is compelled, after having
3 claimed his privilege against self-incrimination, to testify or
4 produce evidence, documentary or otherwise, except that
5 such individual so testifying shall not be exempt from prose-
6 cution and punishment for perjury committed in so testifying.

7 **APPROPRIATIONS**

8 **SEC. 9.** There is authorized to be appropriated such
9 sums as may be necessary to carry out the provisions of this
10 Act.

87TH CONGRESS
1st Session

H. R. 1776

A BILL

To provide for the gathering, evaluation, and dissemination of information, and for the formulation of plans, which will aid in the maintenance of a high level of prosperity in the United States, and for other purposes.

By Mr. HOLLAND

JANUARY 4, 1961

Referred to the Committee on Education and Labor

ADMINISTRATIVE FILE

Automation

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April 25, 1961

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Mr. Roger D. Bergeson, Manager
Personnel Relations Division
The Port of New York Authority
111 Eighth Avenue at 15th Street
New York 11, New York

Dear Mr. Bergeson:

This is in answer to your letter of April 19 addressed to Mr. H. J. Gibbons, Executive Vice President, in which you request information on labor relations and employment implications of technological advances in the transportation industry. I am enclosing the following materials:

Statement of Harold J. Gibbons, Executive Vice President,
I.B.T., before the Subcommittee on Unemployment and
The Impact of Automation of the House Committee on
Education and Labor, Washington, D. C., April 12, 1961

Central States Area Over-the-Road Motor Freight Agreement
The clause in which you are interested appears on page
74 -- "Additional Contribution for Certain Operations."

"How Pigg,back Destroys the Work Opportunities of Teamsters"

"A Dangerous Combination"

"Federal-State-Local Government and Taxpayers Lose!"

The International Teamster (Nov., Dec. 1960 and Jan. 1961)

I hope you find the above materials helpful. Please let me know if I can be of any further assistance.

Very truly yours,

Abraham Weiss
Economist

AW/lp

100-1000



THE PORT OF NEW YORK AUTHORITY

333 Eighth Avenue at 12th Street, New York 1, N.Y.

PERSONNEL DEPARTMENT

John D. Foster
PERSONNEL DIRECTOR

William E. McCarthy
DEPUTY PERSONNEL DIRECTOR

ROGER D. BORGESON
MANAGER, PERSONNEL RELATIONS

April 19, 1961

Mr. Harold J. Gibbons
Executive Vice President
International Brotherhood of Teamsters
25 Louisiana Avenue, N. W.
Washington 1, D. C.

Dear Mr. Gibbons:

① I read recently a summarization of your testimony before the Subcommittee on Unemployment and the Impact of Automation chaired by Senator Holland.

The Port of New York Authority is most interested in the developing views of labor and management in the whole area of the labor relations and employment implications of technological advances in the transportation industries.

② Would you kindly send me two copies of your statement which was prepared for this Subcommittee. Beyond this, if the IBT has issued any definitive statements on the subject of "piggybacking" I would appreciate receiving them. Finally, if ③ you have an extra copy of the recent agreement which was reached establishing a fee structure of \$5 per van on piggyback operations in the Midwest, I would also like to see it.

Many thanks for your cooperation.

Sincerely yours,

Roger D. Borgeson
Manager, Personnel Relations Division

RDB/jmd

ADMINISTRATIVE FILE

Automation

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MEMO

April 20, 1961

TO: Harold Gibbons
FROM: Sidney Zagri
SUBJECT: TRANSCRIPT OF HEARINGS ON AUTOMATION

I suggest that this transcript be edited
and reprinted in brochure form. Please advise.

Enc.
SZ/nm

ADMINISTRATIVE
Automation
X
X

April 7, 1961

C
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Mr. Marvin Epstein
1661 Tibbitts Avenue
Troy, New York

Dear Mr. Epstein:

In accordance with your request, I am enclosing a copy of the booklet titled "What Automation Means To You."

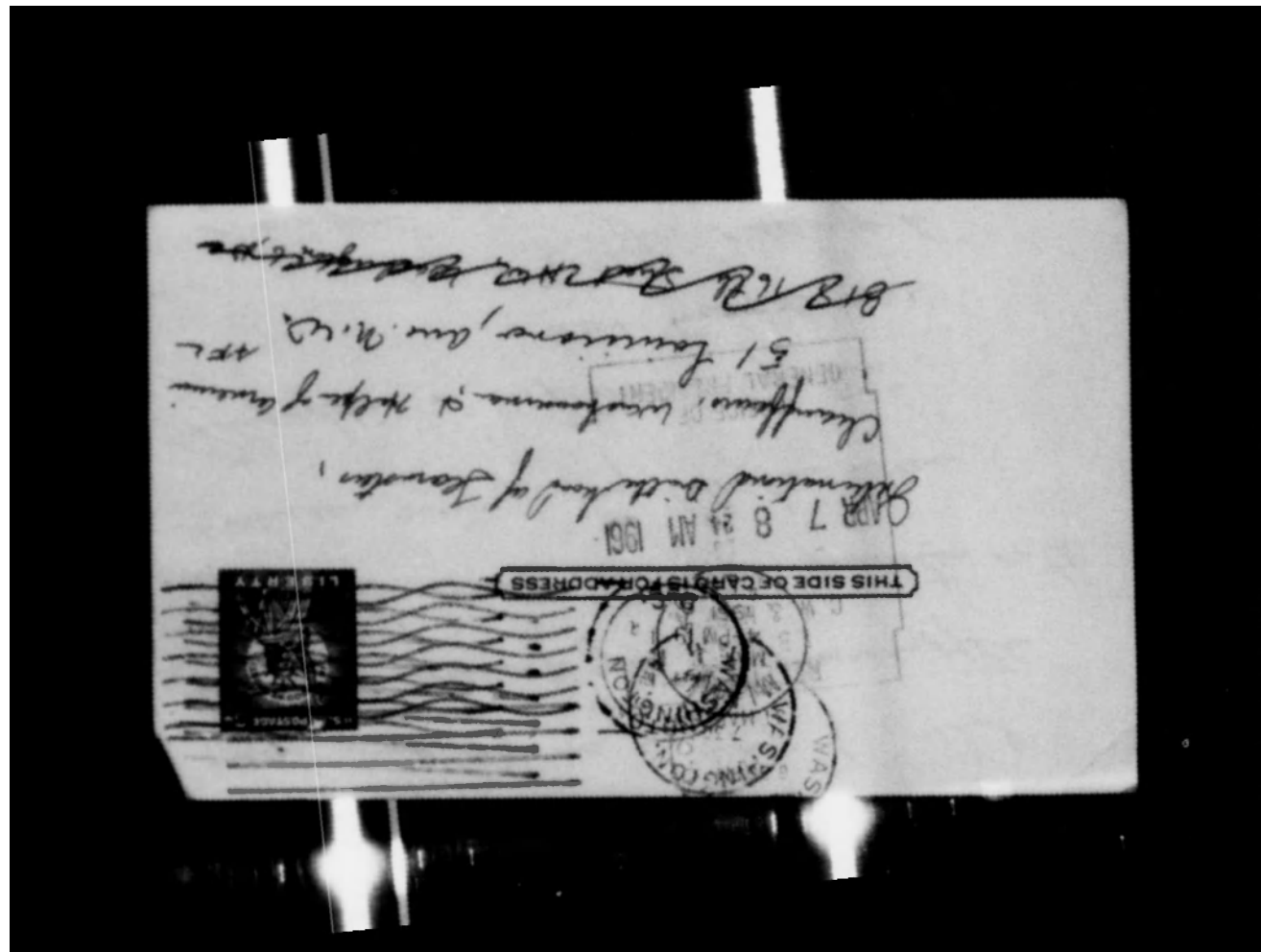
I hope you find this helpful. Please let me know if I can be of any further assistance.

Very truly yours,

Abraham Weiss
Economist

AM/lp
Encl.

Please send me a copy of "What
Automation means to you: a summary of the
Effect of the second Industrial Revolution on the
American worker" by Abraham Weiss;
My address is: Marvin Epstein
1661 Tibbitt Ave
Tray, New York
Thank you



From the Desk of:
ABRAHAM WEISS

4/4/61
Date

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Per our
conversation.

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ADMINISTRATIVE FILE

Automation

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file
Research Department
International Brotherhood
of Teamsters
March 30, 1961

AUTOMATION AND UNEMPLOYMENT

- I. Automation -- all-embracing technology, which is being introduced relatively rapidly.
- II. Workers' reaction to technological change --
 - A. Psychological factors have significant economic effects --
 - 1. Fear of unemployment and increased fear of insecurity lead to resistance.
 - 2. Want opportunity to run new machines.
 - 3. Worker reactions show up in union bargaining proposals.
- III. Unions do not oppose automation.
 - A. Manufacturing industries -- most heavily organized -- greatest extent of automation.
 - B. Unions recognize necessity in dynamic society to improve living standards.
 - C. Union attitude depends on impact on workers and consequences for workers and for economy as a whole.
 - 1. As trade unionists and as Americans, we consider human beings and human welfare more important than mechanics and technology. People, not progress, are our most important product.
 - 2. Long-run automation gains don't help social and economic problems of people in the short run.
- IV. Automation in some Teamster-organized industries and its effect on employment --
 - 1. Trucking.
 - 2. Tanning.
 - 3. Warehousing.

V. Problems facing workers as a result of automation —

A. Displacement and unemployment.

1. There is no self-adjusting labor market which acts automatically to provide jobs for technologically displaced workers.
2. It is unjust and anti-social for workers to shoulder entire burden. The costs of assisting workers and communities to adjust to changing technology should be included as an important part of total investment costs in the new technology.
3. Problem of displaced workers complicated by annual addition of close to 1 million new workers to labor market.
4. Shortage of major growth industries at present time opens possibility that:
 - a. Laid off employees may never get called back; and/or
 - b. Companies don't hire new employees.
5. Blue collar employment in manufacturing is falling although output is rising.

(Cite statistics.)

6. Rapid progress and spread of automation complicates adjustment problem. We need fairly precise information on how rapidly automation is being adopted, to determine whether our present institutional framework and labor market can cope with task of redistributing displaced workers.

VI. Union Bargaining Objectives —

A. Fair distribution of fruits of productivity.

1. Increases purchasing power so that increased ability to produce is matched by increased ability to consume. Machines don't buy products.

- B. Alleviate hardships of displaced workers.
- C. Protect employment opportunities, earnings and conditions of those retained on job.

VII. Bargaining Proposals and Solutions.

- A. Advance notice and joint discussion.
- B. Greater wages increase share of fruits of increased productivity.
- C. Guaranteed employment or wages.
 - 1. To maintain purchasing power.
 - 2. To cause employees to plan change so as to minimize displacement.
- D. Shorter hours with no loss in take-home pay (shorter work week; longer vacations).
- E. Improved seniority systems, including preferential rehiring.
- F. Retraining at Company expense.
- G. Severance pay.
- H. Relocation pay.
- I. Improved pension plans.

VIII. Role of Government

- A. Collective bargaining contract protections cannot create essential job opportunity. Collective bargaining arrangements are essentially shock-absorbers only. A proper national economic and social environment is required to make the achievements of collective bargaining and labor-management cooperation successful. Collective bargaining alone cannot cope with complexity of automation's problems and shoulder entire burden of providing solutions to problem.
- B. Even largest corporations or industries may be financially unable to safeguard earnings of employees subject to technological displacement.

- C. We need to look at automation in terms of "social cost" -- u.e., not simply in terms of cheapening the market price of the product, but as it affects human beings throughout the economy.
 - D. Expansion and acceleration of technological change (automation) emphasizes importance of government policy toward full employment. A slight change in the unemployment level changes the problem of technological displacement from a relatively manageable question of adjustment to a social and economic catastrophe of alarming proportions in which orderly technological progress becomes impossible.
 - E. To serve men, we need a constantly expanding economy -- increased consumer purchasing power and increased business investment to further create employment and stimulate consumption.
 - F. The national well-being requires government action. Collective bargaining affects only a small proportion of our economy. Tax and monetary policies, for example, are much more significant in creating job inducing, job creating programs.
- II. Proposed Governmental Action
- A. Extended unemployment insurance to meet pressing immediate financial needs of displaced worker and family.
 - B. Expand and strengthen counseling, retraining, rehabilitation, job development, and placement resources to train or retrain displaced worker for new jobs.
 - C. Relocation subsidies.
 - D. Tax measures.
 - E. Raise minimum wages.
 - F. Improve Social Security system.

G. Improvement in educational system and resources to provide training for changing skills of automated society.

H. Public enterprise activities -- schools, libraries, hospitals, etc. -- to retrain dislocated.

I. Effectively implement the Employment Act of 1946 to maximize production and employment nationally.

All the above steps are of little value unless there is a job at the end of the readjustment process.

X. Conclusion.

All elements -- government, management and labor -- have to combine forces to develop bold solutions if future productive efficiency of our country is not to be engulfed by financial and occupational ruin of technologically displaced workers.

ADMINISTRATIVE FILE
Automation
X
X

STATEMENT
OF
HAROLD J. GIBBONS
EXECUTIVE VICE PRESIDENT
INTERNATIONAL BROTHERHOOD OF TEAMSTERS
BEFORE
THE
SUBCOMMITTEE ON UNEMPLOYMENT AND THE IMPACT OF AUTOMATION
OF THE
HOUSE COMMITTEE ON EDUCATION AND LABOR

WASHINGTON, D. C.
APRIL 12, 1961

Automation and Unemployment

Mr. Chairman and members of the Committee, I appreciate the opportunity of appearing before you today on this vital issue of automation and unemployment. We are glad to join with other representatives of organized labor in calling attention to the impact of automation and technological change not only on our membership, but on the economy at large. It is appropriate, I believe, for us, as representatives of workers who bear so much of the costs of "progress" in the form of loss of jobs, shorter hours and reduced income, to bring you their story and to urge that appropriate action be taken not only in their behalf but for the well-being of the country. Our interest extends beyond the more than 12 million Teamster members and their families to the entire nation -- because this is indeed a national problem.

The Committee is examining the impact of automation on unemployment. I prefer to couple the terms "automation and technological change," since from an economic viewpoint automation is but another, more advanced, stage in the evolution of technology. In essence, these terms mean the use of technically improved or advanced machinery, methods, or equipment, introduced to obtain greater productivity at less cost, and nearly always requiring less manpower in producing or distributing more goods, materials or services.

As contrasted with mechanization, automation is applicable to a wide variety of industries and work processes. Its potential application is virtually limitless.

Automation is proceeding more rapidly than the technological changes of the past.

Regardless of the term used, the end result for workers is the same: full or partial unemployment. And for new members of the labor force -- a shrinking labor market in which jobs become increasingly difficult to obtain.

Economic Background

The impact of any change is related to the environment or circumstances within which the change takes place. Automation is feared today because it is speeding up and rolling into high gear at the same time that our economy (over the last decade) has been faltering and hesitating. Labor properly feels concern over job security and employment opportunities when joblessness rises from one month to month. Certainly, the economic climate during the 1950's seems to hold out little hope for work opportunities.

In the postwar period, unemployment has been higher after each recession. The economy is generating new jobs at a slower rate than the growth of our labor force.

Private industry (as compared to government) is now producing fewer man-hours of work than in 1953.

Our population is up; our work force is up; but the number of jobs in the private economy is down. *Check Arthur Gaddler's statement of 4/4/54 that we will need 10,500,000 new jobs in 12 months*

Manufacturing output as a whole has risen 17% since 1953 but employment has dropped 5%. Bituminous coal output in 1959 was 35% below the 1947-48 average; employment was down more than 60%. In short, fewer people are turning out more goods.

The U. S. Department of Labor expects the labor force to increase by 13.5 million between 1960-70, as compared to 8.9 million in the previous decade. Will enough jobs be available?

Our economy did not perform too well in the 1950-60 period when there were only 8.9 million new jobs to provide for. There were four recession periods in this decade and the level of unemployment ranged from 6 to 7% of the civilian labor force (including part-time workers).

With attention focused on unemployment in the recession periods, the rising level of unemployment in the non-recession periods has been frequently overlooked. This is so-called "structural" unemployment, which is probably most related to automation or changing ~~time~~ technology. In the few following "normal" periods during the 1950's, the average rate of unemployment increased as follows (seasonally adjusted):

Early 1951 to Late 1953	5.1%
Mid 1955 to Mid 1957	4.2%
Early 1959 to Mid 1960	5.3%

Moreover, the so-called "normal" periods appear to have become progressively shorter.

A significant change in the composition of employment has taken place in our economy during the 1950's. In 1950, for the first time service workers outnumbered workers in the production industries (manufacturing, agriculture, construction, mining) -- 51% to 49%. By ~~late~~ 1960, employment in the service industries group had risen to 58%. The trend will undoubtedly continue in the 1960's. The important point about this shift is that in a period of recession, services are the first thing to be sacrificed. *Technical & professional - 2.4% - 1964*

7.1% - 1970
We were fortunate during the 1950's in that job opportunities were ~~made~~ available in government, in trade, and in service industries. They made up, in part, for declining employment in manufacturing, mining, railroading, etc. But we cannot assume that the service and trade industries can continue to absorb excess manpower from declining industries as well as provide jobs for ~~the~~ new workers.

Employment expansion will not, as I see it, match our population or labor force growth. How can employment expansion in retail trade be equivalent to expansion in population served, with the development in chain ~~and~~ stores, supply and merchandising that characterized the 1950's? Distribution employment -- the hard core of Teamster membership -- may grow absolutely, but less than proportionate to population growth, in view of the economies of scale that ~~touch~~ all parts of the supply line, including transportation and warehousing.

In summary, then, only increased "economic growth" can provide enough jobs for an increasing work force in our economy where greater production is turned out by fewer workers.

So long as our ~~economy~~ economy expands, automation's impact on employment is softened. We believe, therefore, that the only possible orderly solution to automation's

impact on employment is continuing full employment, so that displaced workers can find other jobs and that new workers will also have jobs.

The Role of the Union

We recognize that progress, productivity and efficiency are a prerequisite to the welfare of our members and the industries which employ them. But as trade unionists and as Americans, we consider human beings and human welfare more important than efficiency. The welfare of our people is an integral part of our economic progress. At the same time, we must recognize that people without jobs cannot provide a market for the products or services of our automated industry.

We know that there is no self-adjusting labor market mechanism which acts automatically to provide jobs. We believe that it is unjust and anti-social to make workers shoulder the entire burden of "efficiency" or technological change. Rapid and uncontrolled technological change can disrupt the lives of workers and their families, and we must urge that thought be given to programs for reducing the harmful effects of such dynamic growth. We cannot afford to repeat the mistakes of our industrial history. Human costs are involved. No technological change which is at the expense of workers is true technological progress.

In essence, what I am asking for is a high degree of social responsibility by industry, to weigh the human costs of displacement. Marxists' Workers' and unions' acceptance of such change is based on assuring workers some degree of employment and income security and a share in the benefits flowing out of such change -- in a word, to make the transition as painless as possible.

There is a cultural lag -- in that people resist change. Social and economic progress is not automatic. It is the responsibility of the labor movement to implement changes by means of other democratic institutions so as to make sure that our people are not hurt. This is our role -- and we cannot shirk it.

It is this apparent conflict between economic efficiency and social justice (if I may use this term) which our society must solve if we are to avoid economic and social catastrophe. Your committee is faced with a great challenge. You may sound

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on our good faith and cooperation in doing whatever we can to assist in the ~~solution~~
solution of this problem.

Our Union has cooperated with our employers in ~~the~~ achieving efficient operations.
Leading spokesmen in our industries have stated on many occasions that we take "a
realistic and commendable perspective of the values of transportation automation";
that "the leaders of the Teamsters recognize that these restrictive conditions and feather-
beds are ~~not~~ harmful to the industry. . . ." That the Union ~~is~~ "is exercising the judgment
of responsible unionism."

We do not resist automation, but we want to cushion its effect on labor. From
labor's point of view, we want to reconcile, so far as possible, the continual growth
of automatic technology with job security. We wish to alleviate the hardships of
those displaced by automation and to protect the employment opportunities, earnings
and work conditions of those retained on the job.

Automation and Unemployment in Selected Teamster - Organized Industries

Unlike other unions whose membership is concentrated in one or two industries, the Teamsters cannot easily trace the impact of automation upon unemployment among their members. The reasons are several.

The diversity of industries in which our union has membership complicates the job of assessing the impact of automation on employment. It is, therefore, difficult to be specific about unemployment.

Most of our approximately 900 local unions are so-called "general locals"; that is, they organize workers in many industries. Thus, when such local unions report a drop in membership, our International Union has no specific way of knowing the industry or industries in which jobs are declining, or the reasons for each decline.

Many of our members are in the service area. The delivery of milk, bread, laundry, newspapers, etc. is a 52 week-a-year business. Many of our members work for small firms who have to continue to provide deliveries, regardless of volume.

Employment statistics on the trucking industry are not available. In addition, the trucking function is performed not only by motor freight common or contract carriers, but also by virtually every other industry in the American economy. This complicates the problem of determining and assessing the impact of automation on our truck driving membership.

Although our automation unemployment problems may not be as severe and as concentrated as other unions, we nevertheless have our share.

We have attached to this statement three reports describing technological developments in the following industries: trucking; fruit and vegetable canning & preserving; and dairies.

On the basis of the employment and productivity figures shown in these three reports, it is fair to conclude that mechanization and technological advances have

- 2 -

outstripped the creation of new jobs. Employment is not increasing to the same extent as the output of these industries.

Increased weight and size of trucks and mechanical equipment has increased the productivity of the individual driver. Years ago a horse and wagon required a 10-hour day to move only 10 tons of earth. Today a driver operating a 10-ton dump truck can move 320 tons of earth in two hours less working time at one-fourth the cost per ton.

In warehousing, electronics, select mechanism, automatic conveyors and automatic loading and unloading equipment have been combined with other advances to make operations at new warehouses largely automatic. Warehousing has been worked by the development of unitized loads, roller and chain bed trucks, wheeled pallet adapters, palletizers, depalletizers, conveyor systems, electronic sorting, and a whole area of electronic devices.

Inventory data processing eliminates much of the manual paper work in warehousing and increases the use of machines in record keeping.

The result is fewer jobs.

Automation has permitted present workers in the industry to produce more per employee. At the same time, the greater output or productivity, by permitting the same or fewer workers to produce more, means that the industry does not hire new workers. This produces what might be called the "iceberg" effect - unemployment which is not attributed to any particular industry but which is generalized. Employment opportunities do not exist for those entering the labor market or for those losing their jobs in other industries. This has been true even in the trucking industry which has shown marked growth over the past few decades - a growth sufficiently rapid to counteract diminished job opportunities stemming from automation.

A dynamic and effective organizing program has helped to offset Teamster Union membership losses due to technological or automation unemployment. The Teamsters Union has been the only major trade union which has aggressively kept pace with the giant strides of the American economy since the end of World War II.

Although our union has minimized automation's job losses, we have nevertheless felt its impact, as the attachments referred to above clearly indicate. Other unions and their members have undoubtedly suffered to a far greater extent. We join with them, and with the rest of the American labor movement, in stressing that it is time to take action on several fronts to do something for the victims of automation-created joblessness. Without a sharper rise in jobs than has been taking place in recent years, our unemployment problem may well become a nightmare.

Even the National Association of Manufacturers, in its weekly publication, NAM News, concludes that employment problems will be "severely magnified by automation-enforced occupational shifts." This report adds that the need for production workers "has been decreasing despite higher output because of higher speeds, mechanization and technological improvement." It looks forward to still greater mechanization and displacement.

We should like to present to this Committee a film titled Wonders of Automation, filmed in California's Imperial and Salinas Valleys. This 25-minute film portrays in vivid color the story of what changes and mechanization have produced in the produce industry.

Shwens is the only machine in existence which combines harvesting with processing to send carrots off to market within ten minutes after they are pulled from the soil. This highly mechanized unit moves at a constant eighth of a mile an hour through a field, gulping carrots at one end and expelling them at the other in cellophane packs--yes filed them at any supermarket--in an incredibly short time. This is a

mechanized machine which actually eliminates one complete phase--the conventional processing installation which normally is a permanent facility located in the nearest community anywhere from five to thirty or more miles from the field being harvested. For the purposes of contrast, the film shows such a permanent processing shed, along with the old way of harvesting.

Another phase of the film treats with harvesting and processing of head lettuce. Hand-cutting of the lettuce contrasts with mobile machines which stitch cardboard cartons into which the produce is packed for hauling by truck to the nearest cooling center, located some miles from the field. Automation really begins at the cooling center where a huge fork-lift, in one speedy maneuver, unloads 320 or more cartons from a truck in a matter of seconds. A network of conveyors within the center eliminates all human manpower except the hands of a half dozen workers in the essential process of chilling the lettuce and loading it into refrigerated trucks or railroad cars to be speeded off to market.

We hope that this film will be helpful and instructive to this Committee and to its staff, in showing the application of technology to some of the industries and operations in which our members are employed. The film also makes clear the many ways in which mechanization is displacing workers.

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National Economic Policies Must Support
Collective Bargaining on Automation

Collective Bargaining - the trade union's tool - has developed a variety of solutions to automation: greater wage increases; guaranteed employment on a year-round basis; shorter hours with no loss in take-home pay; broader seniority rights including preferential hiring rights for laid-off workers; retraining displaced workers at company expense; dismissal pay; improved pension plans, including earlier retirement and vesting of benefits after relatively short period of service; etc. These collective bargaining provisions constitute, in essence, a form of social cost to industry of automation. They call for a high degree of social responsibility by management.

But these collective bargaining arrangements between a company or an industry and a union are essentially only shock absorbers or stop gaps. They constitute merely the first line of defense against automation unemployment. Essentially they are designed to cope with the problem of "temporary" unemployment, rather than a situation where a man's job literally disappears under automation.

Unfortunately, collective bargaining contract protections cannot create essential job opportunity. Collective bargaining alone cannot cope with the tremendous pressures of automation-induced unemployment. The complexity of the problems calls for an effort beyond that of any single union, or single company, or single industry, or combined labor-management effort.

Labor and management should continue to seek solutions to the

labor problems flowing out of automation. But these private solutions, in the final analysis, can only be limited and temporary.

Collective bargaining affects only a fraction of our total economy. Other factors -- tax, monetary credit, and fiscal policy, etc. -- are more far-reaching in their consequences. We must therefore develop a proper national economic and social environment to make the achievements of collective bargaining and labor-management cooperation successful.

National full-employment economic policies are called for-- both to generate jobs and to sustain purchasing power. As stated by the editors of Fortune earlier this year, "The vital task ahead is one of job creation, and the vital energizing currents here are national not regional in scope."

If technological progress is to be orderly, we must tackle the unemployment problem promptly on a national scale. The national well-being requires it; the confirmed existence of our present social and economic order demands it. Full employment must be our goal if we are to avoid the nightmare problem of displacement and adjustment created by technological "progress."

This calls for effective implementation of the Employment Act of 1946 so as to provide a constantly expanding economy. We need increased consumer purchasing power to match our growing productive capacity and increased business investment to further create employment and stimulate consumption.

We need allied programs consisting of wage supports, tax measures, training and retaining programs, relocation subsidies,

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and other security guarantees to technologically displaced workers and their families. But above all, there must be a job at the end of the line for those willing and able to work. Otherwise, the best social insurance systems and retraining and placement resources are of little use. This is why the full employment goal must be the capstone of our national policies.

In spite of our vaunted American standard of living, there are still millions of American families living on sub-standard incomes. In spite of our vast wealth, the gap between need and fulfillment in the public sector is enormous -- in education, health, air clearance -- public housing -- metropolitan redevelopment, and preservation and development of natural resources. When we build school classrooms, hospitals, public housing, and all the other things our people need, private industry will have more business and people will employ full employment.

As a nation, we have to adjust our thinking to an age of abundance, rather than scarcity, and automation helps to supply that abundance. Automation can be used to serve men and to free men. But if workers lose their jobs, or are never hired, because of automation, then the central purpose of our economic activity in a democratic society is defeated. Economic progress must be equaled with human needs. For this, we need a constantly expanding economy, to absorb both new workers and those displaced by technical advances. Full employment is the answer!

Workers have a right to a fair share of the fruits of the Nation's expanding productivity, which automation will accelerate.

(13)

Unless workers' buying power advances as productivity increases, the economy will produce more than consumers can buy. Economic prosperity can be assured only if wages continually rise as the Nation's productive power expands. Without a proper balance between production and consumption, full employment and prosperity are impossible.

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Our members are not accustomed to eating on a long-run basis. Their bills have to be paid today. They cannot obtain credit on the expectation of a job two years from now. All they know is that their jobs are evaporating and they are left high and dry. Surplus wheat can be stored. Surplus workers - and that is what automation is creating - cannot!

People can't buy unless they work. Industry can't sell its products and services unless people have money. Industry looks to the consumer to keep the economy going. Eliminating people who make a product eliminates the market for that and other products. One cannot produce wealth with machines alone.

If we can develop crash programs for missiles and exploration of outer space, we can and must plan to solve the problems flowing out of automation. We must devise and develop tools to wipe out the spectre of chronic unemployment, the sentence of economic death. Our nation faces so challenge so great if we are to maintain the stability of our economy and way of life. If past policies and methods are inapplicable to today's technology, let us devise new ones.

Why should we have full employment only in time of war? Certainly in time of peace there is work to be done -- job - providing work -- to improve the well being of people and the nation. Let us set our sights for abundance, not scarcity. Let us gear our policies for full production, not underutilization of capacity and facilities. Let public investment join private enterprise in supplying people's needs.

The basic answer to the problems created by automation lies in the prosperity of our country. A booming economy is needed to keep everyone - except the fractionally unemployed - at work. We definitely need to buoy up our economy. Let us make a reality of the Employment Act of 1946.

If our economy is faltering, any solution to the unemployment problem - whether automation - created or otherwise - are bound to be ineffective.

We suggest and recommend the creation of a National Commission on Automative unemployment composed of representatives of labor, industry, educators and the public, to study the impact of automation on our economy and to develop plans and programs to minimize its impact on workers, communities and the nation.

Such programs must be put into action as soon as possible if we are to avert national economic and social disaster. As I have already indicated, selective bargaining alone cannot shoulder the entire burden of coping with automation's problem.

We believe that such a Commission should consider, at the very minimum, the following measures:

Strengthening and broadening unemployment insurance coverage so as to meet the most pressing immediate financial needs of the displaced worker and his family;

Lowered retirement age under Social Security;

Redevelopment of depressed or declining areas;

A higher minimum wage;

Training centers operated in conjunction with our schools and State Employment Security offices to provide job training for young workers coming of age and for men displaced by technological change, to adapt them to the shifting job trends and occupational qualifications;

Unemployment subsidies and other security guarantees to workers permanently displaced by reasons of technological changes;

employment service.

Our tax and monetary policies should be reviewed to assure that they are stimulating economic growth and job-creating potential.

We need a balanced action program, by the combined efforts of government and industry. We need to coordinate all our efforts to combat unemployment. Only by such

can we develop adequate solutions to this problem and strengthen the forces which will ensure and increase the future productive efficiency of our economy.

Your committee has a grave responsibility. We wish you well in this task, and we offer you our wholehearted cooperation.

Strengthening the public employment service.

Certainly, our tax and monetary policies should be reviewed to assure that they are stimulating economic growth and job-creating potential.

We need a national economic policy. We need a massive attack on all aspects of the automation problem, by the combined efforts of government, labor, and industry. We need to coordinate all our efforts if we are to forestall a nightmare of mass unemployment. Only by such combined efforts can we develop adequate solutions to this problem and unleash the forces which will assure and increase the future productive efficiency of our economy.

Your committee has a grave responsibility. We wish you well in this task, and we offer you our wholehearted cooperation.

ADMINISTRATIVE FILE

Automation

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Research Department
International Brotherhood
of Teamsters
March 30, 1961

AUTOMATION AND UNEMPLOYMENT

- I. Automation -- all-embracing technology, which is being introduced relatively rapidly.
- II. Workers' reaction to technological change --
 - A. Psychological factors have significant economic effects --
 1. Fear of unemployment and increased fear of insecurity lead to resistance.
 2. Want opportunity to run new machines.
 3. Worker reactions show up in union bargaining proposals.
- III. Unions do not oppose automation.
 - A. Manufacturing industries -- most heavily organized -- greatest extent of automation.
 - B. Unions recognize necessity in dynamic society to improve living standards.
 - C. Union attitude depends on impact on workers and consequences for workers and for economy as a whole.
 1. As trade unionists and as Americans, we consider human beings and human welfare more important than mechanics and technology. People, not progress, are our most important product.
 2. Long-run automation gains don't help social and economic problems of people in the short run.
- IV. Automation in some Teamster-organized industries and its effect on employment --
 - A. Trucking.
 - B. Canning.
 - C. Warehousing.

V. Problems facing workers as a result of automation --

A. Displacement and unemployment.

1. There is no self-adjusting labor market which acts automatically to provide jobs for technologically displaced workers.
2. It is unjust and anti-social for workers to shoulder entire burden. The costs of assisting workers and communities to adjust to changing technology should be included as an important part of total investment costs in the new technology.
3. Problem of displaced workers complicated by annual addition of close to 1 million ~~new~~ workers to labor market.
4. Shortage of major growth industries at present time opens possibility that:
 - a. Laid off employees may never get called back; and/or
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5. Blue collar employment in manufacturing is falling although output is rising.

(Cite statistics.)

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 - D. Expansion and acceleration of technological change (automation) emphasizes importance of government policy toward full employment. A slight change in the unemployment level changes the problem of technological displacement from a relatively manageable question of adjustment to a social and economic catastrophe of alarming proportions in which orderly technological progress becomes impossible.
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G. Improvement in educational system and resources to provide training for changing skills of automated society.

H. Public enterprise activities -- schools, libraries, hospitals, etc. -- to create demands.

I. Effectively implement the Employment Act of 1946 to maximize production and employment nationally.

All the above steps are of little value unless there is a job at the end of the readjustment process.

X. Conclusion.

All elements -- government, management and labor -- have to combine forces to develop bold solutions if future productive efficiency of our country is not to be engulfed by financial and occupational ruin of technologically displaced workers.

INTERNATIONAL BROTHERHOOD
OF TEAMSTERS

ADMINISTRATIVE FILE
Automation
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ATTACHMENT A
AUTOMATION AND EMPLOYMENT TRENDS IN TRUCKING

Technological changes in the trucking industry have taken a variety of forms described below. However, they have not constituted major technological breakthroughs such as have occurred in the mass-production industries or even other transportation industries such as the airline, water carriers and even the railroad industries.

Outwardly, the trucking industry does not seem to have changed much in character, despite its enormous growth. Yet the cumulation of a variety of technological changes have slowed down employment in a rapidly-growing industry and have enabled the present work force to produce more.

The following table shows that trucking employment in the last decade has lagged behind the industry's "output" -- intercity ton miles:

INDEXES OF TON-MILES OF FREIGHT AND EMPLOYMENT IN THE
HIGHWAY TRUCKING INDUSTRY, 1949-1959
(1949=100)

Year	Intercity Ton Miles ¹	Employment ²
1949	100	100
1950	137	110
1951	151	122
1952	148	127
1953	159	134
1954	151	133
1955	173	143
1956	173	151
1957	176	154
1958	176	150
1959	196 (Est.)	161

¹ - Intercity ton-miles of Class I, II, and III intercity common and contract motor carriers of property, operating under Interstate Commerce Commission authority.

² - Full-time equivalent employees. Full-time equivalent employment measures man-years of full-time employment of wage and salary workers and its equivalent in work performed by part-time workers. Excluded are estimates of employees engaged in public warehousing.

Rec. Jc + filing 4/20/61

Illustrative technological changes and automation developments in trucking operations are described below.

1. Advances in equipment design and construction

To enable truckers to carry longer and heavier hauls, motor carriers and equipment manufacturers have been developing lighter equipment carrying more payload without any boost in the gross maximum weight or length or height of the vehicle.

A parallel trend involves changes in the usage of units now available, changes reflected in the 60-foot tandems seen frequently in the West, and in the big 98-foot or more "double bottoms" (two trailers pulled by a single tractor) now authorized in several eastern and mid-western states.

Use of the diesel engine in trucks continues to grow. Ten years ago some 5 percent of all heavy-duty trucks were diesel powered. Now more than 25 percent are so equipped. The superior fuel economy of diesels permits the use of more powerful engines, which in turn produce higher daily mileage.

Within the next few years truck engines with double the power of those now on the roads will begin to make their appearance. Since they will be capable of higher sustained speeds along the new Federal highway system, they offer the promise of a dramatic speedup in long-distance truck schedules.

There has been a steady increase in allowable weights and in length of trucks and trailers. In 1956, there were 11 states which limited over-all tractor-semitrailer length to 45 feet and three states imposed a limit of 48 feet. Today, all states allow at least a 50-foot combination, with 33 states at that figure; four allow 55 feet; eleven 60 feet, and three 65 feet or more. In addition, certain toll roads have authorized the use of 98 to 105-foot "double bottom" tandem trailers.

In 1948 units of 28-30 feet in length led in van trailers produced (27.5%). In 1960, 60% of the trailers were in the 38 to 40-foot category.

even over the past few months, several states have announced new permissible lengths and weights for their highways. For example, the District of Columbia now allows 40-foot trailers. Kentucky permits 50-foot tractor and semitrailer combinations.

In South Carolina and Michigan, 55-foot combinations are permitted. In Utah, 60-foot units are approved, with permits granted annually to 65-foot rigs. Maximum weights of these units in Utah can go as high as 79,000 lbs. Although Pennsylvania prohibits doubles or tandems, it allows single trailers as long as 60-feet on its turnpike (but only 35 feet off it).

These liberalized limits on weight and length mean bigger and fewer trailers for any given tonnage to be hauled. In the absence of increased volume, this could, of course, adversely affect the jobs of drivers and platform men.

An unusual semitrailer has been developed. It has no axle between the rear wheels and can be tipped, tilted, lowered to street level, or raised to the height of platforms up to 52 inches to facilitate loading or unloading. It is reported that this design, not yet in much use, cuts cargo-handling costs 33 percent.

A new half-straddle semitrailer has just been put into test use. It can pick up or unload a full-length trailer load of palletized freight in 60 seconds.

The use of specially built cargo tanks equipped with conveyors for unloading has become widespread in the transportation of bulk loading in powder or granular form, such as flour, portland cement, and livestock feed.

2. Piggyback and Containerization

A "technological" change of a sort -- namely, coordination of truck shipments with rail, water and air carrier service -- is taking place in the form of "piggyback," "fishyback" and containerization. Such coordination tends to reduce job opportunities for over-the-road or long-line drivers.

Piggyback is the handling of highway trailers or containers on railroad flat cars; fishyback is the handling of such containers on ships. Containerization is essentially pre-packing freight in van-sized containers, saving handling and packing costs. Under this concept, piggyback is nothing more than treating truck trailers as containers.

Piggyback, fishyback and containerization may be thought of as a "pipeline on wheels," since the system allows door-to-door delivery without breaking bulk between carriers. The container (whether a highway trailer, van or box) is designed to travel with ease on ships, railway flat cars or on the road.

Containerization differs from piggyback which employs truck trailers which are loaded directly from the road onto railroad flat cars. In the newer system similar trailers are used for containers but the wheels and chassis are detachable and there is no necessity to haul the running gear along with the cargo.

To the extent that piggyback, for example, provides for transport of trailers or containers on railroad flatcars than on the highways, many truck drivers formerly operating on intercity runs are displaced. Though piggyback traffic represents at present a small fraction of inter-city freight, it is growing fast. The nation's railroads hauled 500,000 piggyback carloads in 1960. That was 35% above the 1959 figure and 3 3 times the total for as recent a year as 1955.

Piggyback loadings have established new records. Fast, solid piggyback trains, scheduled at speeds close to those of the fastest passenger trains, are accelerating the use of piggyback.

Piggyback and its counterpart, containerization, require less packing and packaging and involve less handling -- another form of automated transfer of cargo. Labor requirements are reduced, thereby affecting workers' earnings and job security.

Piggybacking of autos has already cost the jobs of about 15,000 Teamster members engaged in the delivery of new cars from the auto assembly plants to automobile dealers.

The Special Products Division of Moore-Handley Hardware Co., Inc. of Birmingham, has explained how its own containers are used in distributing ice cream for National Dairy Products Corp. in Michigan -- a special case inasmuch as Michigan laws require that a second container in a unit be placed on a four-wheel trailer. (In most States two or more containers are placed on a transport semi-trailer chassis)

The containers are loaded at the central plant in Kalamazoo with an assortment of 2,500 gals. in each container. The transport train then takes the containers to various cities, dropping one container at a time in, say -- Grand Rapids, Lansing, Holland, Jackson, Hillsdale, Benton Harbor and others.

The loaded container is exchanged for an empty at each point, and the standby refrigeration equipment of the loaded unit is plugged into an electrical circuit. Sometime later, the local route man will pick up the full container for local delivery.

Carriers of household goods are also pushing the use of containers, especially when families are moving long distances. Van-Pak, Inc., of Des Moines, Iowa, has developed an 8-foot by 8-foot by 7-foot container for rail, truck or ship. It uses these containers for its own hauling of household goods and also leases them to other common carriers for other uses.

National Van Lines of Chicago, Illinois is also experimenting with containers that nestle on a special flatbed truck trailer, six to the trailer.

The interesting thing which has developed from the transport of household goods in containers moving to and from overseas bases, to and from points and places in the U. S. is the Thruliner in which household goods or commercial freight may be packed right in the house or factory. These smaller cardboard containers are then taken to the container stations and fitted into the ocean container in groups of two, three, four, six or eight. The ocean container is then moved by ship to the

receiving station overseas, or in the case of inbound traffic, to the station in this country on the Atlantic Coast, Pacific or Gulf Coast, where the ocean container is removed and the separate thruliners are moved to a household goods carrier or linehaul trailer for delivery direct to the consignee's home, factory or store, where the thruliners are unpacked and discarded. This means only one handling at each end. If air transport is used, the thruliner will go direct to the airplane, eliminating the use of the ocean container on foreign shipments.

George A. Hormel & Co. sends fresh meat from its Austin, Minnesota packing-house to customers in Minneapolis-St. Paul by aluminum refrigerator containers; each over-the-road tractor-trailer hauls three containers, and these are conveniently split up among local delivery trucks in the cities.

Along with the containers, which can move right through from point of origin to point of destination with the freight sealed in, new equipment for handling them is making its appearance.

One of the most remarkable in appearance is the self-propelled, vertical lift, free-traveling crane developed jointly by Seatrain Lines of New York and Travelift Engineering Co. of Sturgeon Bay, Wisconsin, which is described as the "first switching engine of the trucking industry."

Oddly resembling a spider, on four tall legs, each rolling on an aircraft type tire, it straddles a trailer chassis, lifts the container vertically between its legs, then rumbles off to deposit it elsewhere without the need for rails, special paving or tractor towing power.

Operated by one man, the "spider" can carry 25 tons at 10 miles an hour. Designs for larger items of this type are on the drawing board.

3. Road Systems

The Federal-Aid Highway Act of 1956 initiated a new multi-billion dollar highway program. This new system of interstate highways will mean more sustained high speed movement and thus more yearly mileage per truck or tractor-trailer. Combined with the economy of motor vehicle sizes and weights, the National Interstate Highway System should bring with it new standards of highway utilization, moving traffic faster and more safely. The highway construction program is certain to bring substantial benefits to the highway carriers in reduced point-to-point travel time, reduced mileages, fewer accidents, etc. Another benefit, of course, are fewer drivers because of less travel time due to higher average speed.

Backbone of the expanded Federal State highway program is the presently designated 41,000-mile System of Interstate and Defense Highways. The Interstate System joins 42 state capital cities and 90 percent of all cities over 50,000 population. It serves 65 percent of the urban and 45 percent of the rural population, and is the key highway network from the standpoint of Federal interest in productivity and national defense. When completed, the 41,000-mile system will represent approximately 12 percent of total road mileage but will carry 20 percent of the traffic.

The Interstate System will incorporate, as it is built, the most modern techniques of highway construction and design. It will be a controlled access expressway and 95 percent of the presently designated mileage will consist of divided highways of four lanes or more. This mileage, when added to anticipated improvements on other primary highways, will mean that by 1975 we shall have 59,000 miles of divided highway mileage of the most modern design, compared to 11,720 miles of this type facility in use today and 3,573 miles in 1948.

An essential part of the new program is the extensive provision for urban highway facilities, which will include by-pass routes around our major cities as well as improved expressways within urban areas. These will mean faster and

more efficient movement of intercity traffic with a minimum of delay and congestion

The national system of interstate highways will help the trucking industry in the long run. Heavy trucks on the road are now greatly retarded in climbing steep hills and working their way through congested traffic of towns and cities. The new highway system will reduce the sharpness of grades and will bypass congested areas. This will reduce wear and maintenance of vehicles. Because of less movement in low gear, it will cut out fuel consumption per ton-mile. By reducing over-the-road time, the new highways will increase mileage per driver-hour and on many runs, will thereby cut labor cost. In intercity trucking, over-the-road costs constitute a much higher portion of the total than is true of railroading, and these savings will be important.

Since the new system is to touch all 48 states, it will provide express highways along routes where they simply don't exist today -- thus opening the opportunity for such faster delivery schedules over longer distances.

The higher average speed possible through extensive use of modern roads and turnpikes enables trucking firms to extend overnight service to more distant points, thus widening their markets, while improving schedules of regular delivery points. The higher speed allows the driver to cover more miles within his hours of service limits.

The combination of improved roads and advances in power equipment have had the effect of increasing the average speed of a motor truck moving down the highway without materially increasing its maximum speed.

Many states are increasing permissible truck speeds to 55 m.p.h. Also, many turnpike roads permit speeds up to 70 m.p.h., which will increase the average miles per hour. With improved highways, the driver will not develop as much fatigue on the new highways as was formerly developed 10 years ago on the then existing

highways.

A recent report to Congress indicates "that the controlled-access highway is at least 2½ times as safe as the ordinary highway, and in some instances has a fatality rate as low as one-fifth of the national average of all streets and highways." The report adds that "significant savings in travel time and greater convenience in travel are important by-products of highways having full control of access."

The New York State Thruway on June 1, 1960 established a uniform speed limit of 60 m.p.h. for trucks as well as passenger cars. Tandem trailer or double-bottom rigs will still be limited to a 50-mile maximum speed because specifications for their special brakes, hitches, safety chains and other equipment were based on that top speed.

With better highways and more powerful equipment, more miles can be covered in shorter period of time, enabling the trucker to extend his services. Previously, on given trips, a driver would have to lay over away from home, because he could not complete the round trip to his home terminal without violating the maximum driving time allowable either under law or under the collective bargaining contract. Today, such trips can be operated on a round trip basis -- again reducing the need for drivers.

4. Double Bottom or Tandem Operations

The economies of the new highways will be greater, of course, as new vehicular arrangements emerge designed for new highway conditions. Illustrative of these is the double bottom operation now under way on certain toll roads, in which two semi-trailers are drawn by a single power unit.

△ - The Federal Role in Highway Safety. 86th Congress, 1st Session. House Document No. 93. March 3, 1959. P. 3, 60.

Tandem, or "double bottom" operations are not new in trucking. They are common in the West. What is new about the latest developments is that these tandems are larger and heavier than others and they involve toll highways.

In most instances, the tractor has less horsepower than the sum of the two it displaces. Partially offsetting the reduction in the number of power units, an additional dolly has to be provided to support one end of the rear semi-trailer. Under these circumstances, the chief operating economies are as follows: labor, fuel, depreciation, interest, and maintenance. While economies will vary widely between operations, a saving of 25 percent, say from 40¢ per trailer-mile down to 30¢, is not unrealistic for operators favorably situated. A significant portion of this saving, of course, is lost by the necessity for supplying tractors and drivers for the short-haul interchange at entrances and exits to the main highway.

The use of "double bottom" tractor-trailer combinations has been authorized on the New York, Massachusetts, Ohio, Kansas, Indiana and Illinois Turnpikes or toll roads. The doubles extend up to 100 ft. overall. And the use of doubles may expand further.

Currently, the Bureau of Public Roads and the American Association of State Highway Officials are studying the possibilities of using double bottoms on federal-aid highways.

Thus far, tests of double-bottom operations have been successful on all thruways and turnpikes where they have been conducted. On the Ohio Turnpike, at least 500 doubles use the artery each month.

What these add up to, of course, is higher productivity -- more tons of freight moved per man and per vehicle. The double size rigs obviously cut labor costs; one driver hauls twice as much. Fuel consumption is less. Time consumed is less. Net savings to the trucker are more than 20 percent per mile.

There are wage savings due to the hauling of a double load with one tractor. Service is expedited due to the higher speeds attainable, and the absence of traffic lights on the through highways. With fewer stops and starts, wear and tear on tires, gears and engines is less.

The Tandem hook-ups enable the truckers to move more payloads per power unit, which is to say per a major slice of invested capital. The customary tractor-trailer combination in New York, for example, is limited to 65,000 pounds, but 120,000 pounds is authorized on the New York State Thruway. Double bottoms, therefore, may well mean doubling truck payloads and reduced operating costs.

Of extreme importance is the fact that if the Thruway vehicles prove themselves and show that vehicles of greater lengths and gross loads are practical and fully compatible with Thruway facilities, then these same vehicles are operational on any highway design similar to the Thruway.

The New York Thruway operations involves the use of break-up points at interchanges to allow the individual units of the combinations to be taken off on the state's regular highway system. As individual units of the combinations are loaded to conform with the state's size and weight laws when operated individually, they can be taken to and from the inter-change points with conventional road tractors and operated legally everywhere in the state.

For all the limitations of the double bottom rigs, it should be regarded as only one of a number of possible new vehicular arrangements, some of which will almost surely emerge from the novel traffic characteristics of the new highways. The vehicle will certainly adapt itself to the opportunities of the roadway, and regardless of the fate of the double bottom, as such, the economies of the new highway system will probably go well beyond those afforded to vehicles of present design. For the time being, the engineering of the vehicle has outrun the

engineering of the roadway --- but this is not likely to last.

Another type of labor saving occurs in reduction of costs, involved in making and breaking tandems or double bottoms at turnpike entrances and exits. The Wolf Wagon, under experiment in Texas, typifies this aspect of labor saving. The Wolf Wagon is a self-propelled van which can be hooked in tandem and by mechanical connections, both power plants can be utilized to propel the load carried. This equipment, if proven successful, would eliminate one driver in moving tandem trailer equipment from the terminal make-up area to the turnpike entrance, at which point two trailers are hooked together and carried over the turnpike to the proper turnpike exit, at which point it is again necessary to break the tandem trailers into two separate units. At entrance and exit then an additional driver is needed.

"Twin-tainers" -- two 20-foot trailers which can be combined into a single 40-foot unit or used separately -- will be introduced soon. They will allow doubling the load for a single tractor at a midway route point.

One company (Chicago Express, Inc.) has initiated runs between Philadelphia and Chicago over the Pennsylvania, Ohio and Indiana Turnpikes with a truck trailer 60 feet in length. The van operates on the turnpikes as a single trailer, but off the bigger roads can be converted into trailers of 40 and 20 feet. The 40-foot length is usual. It can carry up to 60,000 pounds, compared with around 32,000 for a 40-foot unit, has a 3,650 cubic foot capacity as against 2,300 for the standard trailer. Over-all costs, including labor, are lower, on a ton-mile basis because of larger loads per unit.

Like the so-called "double bottom," two trailers in tandem behind a single tractor, to which the big van is related, it is designed to enable a carrier to haul more freight payload per power unit and thus reduce line-haul, operating expenses.

5. Terminal and Office Operations

Widespread terminal improvement and mechanization programs have been under way in trucking, designed to expedite the handling of freight across the dock and to reduce the manpower required to handle a given tonnage of freight. These developments have displaced labor and cut employment opportunities for dockmen.

New terminals feature such labor and damage-saving devices as a mechanized "drag-line," a moving chain which pulls wheeled freight containers along an elongated oval pathway in the terminal. The dragline puts truck loading, unloading and shipment grouping on an assembly line basis. Manual labor is saved. It speeds sorting and eliminates handling. Earlier and more accurate dispatching is achieved. One large company (Consolidated Freightways), by using draglines and other devices instead of hand trucks, raised its system-wide terminal freight handling capacity to 1,682 pounds per man-hour in 1959 from 1,514 pounds in 1956.

At Spector's New York terminal, carts are routed electronically. Platform men don't have to watch cart numbers, since the electronic system automatically ejects carts at the right station.

Other improved dock handling techniques include telescoping and mobile conveyors; hoisting trailer to dump bulk materials; overhead hoists; dock-leveling ramps; inclined tracks, pre-loaded carts.

Mechanical handling techniques are mushrooming at motor carrier terminals. Illustrations are cited below:

1. An electrically controlled retractable belt conveyor shoots cartons right into the truck, saving time and effort. When connected with terminal or warehouse conveyors, the loading operation becomes almost automatic. The telescoping conveyor is especially effective for nonpalletized goods, or where

pallets are impractical.

2. A pushbutton loading ramp moves up, down and out to match ever-changing tailgate heights and custom-fits the truck to the dock, forming a bridge between truck beds and terminal floors.
3. An overhead traveling hoist makes loading a one-man job and ends loading bottlenecks.
4. A pushbutton mobile conveyor sends a full truckload into the warehouse. Truckloads of eggs move from truck to warehouse in less than 5 minutes at Poultry Producers of Central California, San Leandro, by means of a powered winch conveyor that moves sideways on rails, up and down the dock.
5. Gravity pulls a pallet right into a truck or trailer through a gravity-roller system operated by one man. Used with pre-assembled loads, this technique loads a 1,730 cubic foot trailer in 30 seconds. Roller conveyors extend out of the warehouse, across docks, to truck doors. Each truck deck is also fitted with roller conveyors. Furniture packed in containers, rides on simple plywood pallets which, with a slight push, roll into the truck.

A new 52-door terminal in Brooklyn, N. Y., features a dual, semi-automatic freight handling system.

Inside this 351 by 97-foot dock area are two almost concentric mechanical tow lines, capable of handling 450 carts. The outer line conveys shipments from receiving docks to a control center through which all freight passes. The system differs from other operations in that the inner (or shunt) line "almost thinks for itself."

From the control center a control clerk can direct a switch cart to proceed on the shunt line directly and accurately to any of 32 doors in the terminal for loading or unloading. If the control clerk so instructed, the switch cart would proceed to an assembly area to wait until a trailer was ready for its shipment. The emphasis is on simple, dependable and tested mechanical principles. Inclining floors were used in strategic places, resulting in movement of switch carts by the force of gravity.

In operation, the outer line conveys each switch cart from unloading doors to the control center. There, a clerk checks the cart for number of pieces and destination. He then dials a door number of a countdown unit located waisthigh on each of the switch carts. This initiates one of the terminal's important innovations.

If a designated door is ready for shipment, the clerk engages the switch cart in the shunt line. For each door, there is one ridge adjacent to the line. Each ridge counts down one number. If door #10 had been dialed, there would be one click in the countdown device for each door the switch cart passed. At the tenth click, the cart has arrived at door #10. The cart automatically disengages itself from the line, and turns onto one of the spur lines for unloading. There are three spurs at each of 32 doors.

When a trailer headed for the shipment destination is not available at the time the switch cart reached the control center, then the control clerk would not send the cart directly to a door.

Instead, the clerk would still dial the door number, but would engage the cart in another part of the shunt line for towing to the assembly area. An electrical "memory" device operated by the control man guides the switch cart in this area.

In the assembly area, the switch carts may be on any of 19 lines, each of which has room for 12 carts. These lines slope gently toward, and are connected to, the shunt line, but a pin placed in the floor prevents them from entering. When the appropriate trailer is ready, the pin is released, and the switch carts roll onto the line and proceed to the dialed door. The lines move at 100 feet a minute.

Three control clerks can work in the control center at peak periods and allow three times as much freight to be handled.

A scale incorporated into the shunt line system weighs each switch cart immediately at the control center, recording the weight on a special tape. This helps insure quality control over the servicing of customers' freight by permitting a cross check of scaled weight and billed weight, thus minimizing possibility of shortages or overages.

At the 20 of the 52 doors of the terminal that are not serviced by the shunt system, "odd" freight is handled. An odd freight area, for freight that cannot be handled on switch carts because of unusual shape or size, is adjacent to the control center. This area also provides space and facilities for handling "problem" or "special" shipments, such as "rush," "red label" and "hold for pick-up" and so on. Fork lift truck and four-wheel carts are available for special types of freight. The shunt line, however, handles 90 percent of the shipments.

Because of the shunt line system, it is not necessary that there be inbound and outbound sides of the terminal, as is conventional in other terminal operations.

As a tractor-trailer combination prepares to leave the area, its axle weights are recorded both at the scale and in the terminal dispatch office.

Another large terminal just outside Chicago (Olson Transportation Co.) has

a dock which permits loading or unloading of 150 trucks simultaneously. Designed to handle six million pounds of freight per day, the dock contains a freight car conveyor, which completes a circuit of the dock in a continuous movement every 12 minutes. Among other handling equipment are a mechanized barrel handling apparatus, fork lift trucks for all load sizes, and overhead cranes.

An automatic truck scale allows a driver to weigh without leaving his cab. A green light indicates when to pull ahead to weigh each axle. The driver leaves his truck only once instead of the usual three times. His scale ticket is picked up at a computer 150 feet from the scale, leaving the scale free for the next truck. At the computer location there will be an electronic telescriber system constantly transmitting instructions to the men who shuttle equipment between the dock and the yard.

Automatic dockboards speed backing to the dock, and allow safer unloading. A network of pneumatic tubes will relay the freight bills.

Using closed-circuit TV as an operational tool, the chief dispatcher at Hale Transport Corp. uses 10 TV monitor screens and a public address system to direct loading and unloading of 200 to 300 trucks nightly at one terminal.

A well-known grocery chain is using high-speed electronic computers to simplify truckloading, that is, to load goods in the reverse order of delivery stops. The computers prepare invoices that indicate the sequence in which the goods ordered by individual stores are to be placed on the delivery truck. This means a quick turn-around for the trailer.

Truckers are now turning to automated and electronic data processing to handle billing and related activities.

The trucking industry long has been confronted with an almost overwhelming volume of paperwork that must be performed within tight time limits. One company,

for example, (Newark Truck Lines) has upwards of 10,000 freight bills alone to process daily and a large number of customer collections to complete in a like period of time.

Consequently, some truck lines have installed electronic computers in their offices, to relieve clerical problems and handle paperwork volume. Computers are used for revenue accounting -- processing and keeping track of accounts receivable as well as interline accounts payable.

While performing revenue accounting, these electronic systems also produce such management control data as quality and quantity of freight handled; out-bound and inbound statistics; quantity balance; etc. Other computer applications include payroll processing, maintenance of personnel records, maintenance and operating cost processing and control, preparation of various regulatory reports, etc.

One large motor carrier has installed a new billing technique which cuts billing costs in half yet prepares bills at high speed with greater accuracy. The new technique differs from the present system in the manner of copying information from bill of lading onto the freight bill after the rate clerk has entered the charges.

Under today's typical setup, a billing clerk does the copying onto a 6 - 10 part freight bill set. This typing is usually done at night, under pressure, with the average clerk typing 50-70 an hour. And a 25% error factor is not unusual. This same procedure is repeated often because 30 percent of all shipments involve a second carrier, and often a third.

However, the new system combines the two basic transportation documents -- a bill of lading and a freight bill. The shipper's original writing is used for all operations, including billing and interlining. Instead of a battery of

billing clerks, there is one duplicator operator. First, the operator uses an Addressograph machine to enter the "pro" (progressive) number as well as carrier and terminal location on the "master." Then, the combined bill of lading and freight bill "master" is duplicated in black-on-white. Copies are made in any quantity up to 400 per hour. With one turn of a handle, up to 10 copies roll out.

The use of electronics has been expanded greatly. For several years, two-way radio service has been used to a limited extent to provide communications between terminals and the vehicles along intercity highways. The use of radio for dispatching in pickup and delivery service in metropolitan areas, however, was not authorized until 1955. Since then, additional frequencies have been allocated, and there was a trend toward greater use of two-way radio communication in local service. The use of radio in intercity operations also increased. There were 1,520 interurban base stations in early 1959, compared to 375 at the end of 1955, and approximately 34,091 mobile radio units in service at the beginning of 1959, compared to 10,500 at the beginning of 1956.

Radios in tractor cabs allow constant direct contact between drivers and dispatchers, thus further improving the flexibility of operations and availability of equipment, with a consequent better service to customers and saving in vehicle and man hours. Dispatchers, through use of short-wave radios, control the driver's movements and thus cut down on layover time and "deadheading" -- returning an empty truck from a city where it has delivered a load.

Some carriers are putting in direct telephone communication between terminals to expedite space reservations and dispatching. District terminals are given earlier advance notice of trailers enroute to them, thus enabling them to plan for next morning arrivals.

6. Truck Maintenance

Electronics is now in process of being applied to truck maintenance and repair. An electronic digital computer is now available to take the guesswork out of vehicle diagnosis and repair. The computer can determine not only which individual part in a complete power unit is defective, but approximately how long it is safe to keep the unit containing it in service before it will fail. This prediction can be made just three minutes after the vehicle has been hooked up. Without removing or disassembling any unit, the computer interrogates the vehicle with a number of sensing elements called transducers and then uses logic, in much the same manner as a skilled mechanic would, to diagnose specific mechanical failings. The system is so thorough that it can pinpoint a single bearing, gear or cylinder as the potential trouble source. Then it prints this information on a card which tells the mechanic just what's wrong.

The computer is not limited to engine, transmission or rear-axle analyses as are lubricant sample testing techniques. The computer can check out electrical, fuel, and braking systems as well. Suspension tests and metal fatigue measurements are also possible.

The impact of such equipment on job opportunities for truck mechanics is obvious.

Summary

The changes in methods and techniques described above have already had a significant impact on productivity in the trucking industry and on employment. The continued growth of the trucking industry has minimized the adverse consequences of such changes on employment and job security of the industry's employees.

It is also possible, however, that the trucking business may undergo a considerable expansion without a corresponding increase in driver employment. State

limitations on truck weight, size and speed are being liberalized as a result of the construction of better highways. The movement of bigger loads at higher average speeds could result in a need for fewer drivers than would otherwise be required to move the tremendous increase of over-the-road tonnage anticipated during the 1960's.

More and more fork lifts and trucks equipped with power tail gates that can be raised or lowered to platform or ground level replace manpower in the loading and unloading of vehicles and reduce the time needed by each driver to make his deliveries.

As indicated above, piggyback traffic, although relatively small at present is growing rapidly. Such increased traffic is, in most instances, at the expense of over-the-road truck operations, and means fewer loads driven long distances by drivers.

There is a counterbalancing force, however, which affects drivers' employment opportunities, since under piggyback, more men are needed in the loading and unloading operation at the piggyback terminal.

In addition, the motor common carrier will have to provide local drivers to shuttle trailers between the motor carriers' docks and the piggyback terminal. Thus, two new types of jobs will be created: the terminal loader and the city shuttle driver.

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ADMINISTRATIVE FILE
Automation

April 19, 1961

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Mr. Elmer G. Mohn
Western Conference of Teamsters
870 Market Street
San Francisco, California

Dear Sir and Brother:

I thought you would be interested in the attached
Statement of Mr. H. J. Gibbons before the Subcommittee
on Unemployment and the Impact of Automation of the
House Committee on Education and Labor on April 12, 1961.

Fraternally yours,

Abraham Weiss
Economist

AM/lp
Encl.

ADMINISTRATIVE FILE

Automation

April 19, 1961

Mr. M. W. Miller
Southern Conference of Teachers
1850 North Industrial
Dallas 7, Texas

Dear Sir and Brother:

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Abraham Weiss
Economist

AW/lp

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ADMINISTRATIVE FILE

Automation

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X

April 19, 1961

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Mr. Thomas E. Flynn, Chairman
Eastern Conference of Teachers
100 Indiana Avenue, N.W.
Washington 1, D. C.

Dear Sir and Brother:

I thought you would be interested in the attached
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Economist

AM/lp
Encl.

File
INTERNATIONAL BROTHERHOOD OF TEAMSTERS
CHAUFFEURS · WAREHOUSEMEN & HELPERS
OF AMERICA

OFFICE OF
• JAMES R. HOFFA •
GENERAL PRESIDENT
23 LOUISIANA AVE., N.W.

WASHINGTON 1, D.C.

April 12, 1961



ADMINISTRATIVE FILE

Automation

TO: Teamster Research Directors

Dear Sir and Brother:

I thought you would be interested in the attached Statement
of Mr. H. J. Gibbons before the Subcommittee on Unemployment and the
Impact of Automation of the House Committee on Education and Labor
on April 12, 1961

Fraternally yours,

Abraham Weiss,
Economist

AW/lp

Encl.

MEMBERS:
JAMES E. O'HARA, MICH.
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Subcommittee on Unemployment and the Impact of Automation

ELMER J. HOLLAND, PA., CHAIRMAN

U.S. HOUSE OF REPRESENTATIVES

Washington 25, D.C.

April 6, 1961

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ADMINISTRATIVE FILE

*Holland Subcommittee
on Unemployment and the
Impact of Automation
Invitation
Holland, Elmer J. (Rep)*

Mr. J. H. Gibbons
Executive Vice President
International Brotherhood of Teamsters
25 Louisiana Avenue, N. W.
Washington 1, D. C.

Dear Mr. Gibbons:

The Holland Subcommittee on Unemployment and the Impact of Automation of the U. S. House of Representatives Committee on Education and Labor is holding public hearings to determine the causes of unemployment and displacement of workers in American industry. We are also particularly interested in the recommendations of experts like yourself as to the most appropriate remedies for these serious economic problems.

We would like you to participate in these hearings by presenting a brief summary of your latest thoughts, facts and conclusions--in thirty minutes or less--and then answering questions on the subject from members of the Subcommittee for approximately thirty minutes or more. Specifically, we would like to schedule your presentation for Wednesday, April 12 at 10 a.m. The hearings will be held in the Caucus Room (Old House Office Building - Room 362).

Please let me know as soon as possible if you can assist in this way.

Sincerely yours,



Elmer J. Holland, M. C.
Chairman
Subcommittee on Unemployment--Automation

cc: Mr. Gibbons
Mr. Azari

January 30, 1961

File
ADMINISTRATIVE FILE
Automation

The Honorable Elmer J. Mallard
Congress of the United States
House of Representatives
Washington, D. C.

Dear Elmer:

I am sorry that I have been unable to reply earlier to your letter of December 12 in which you requested information on how automation has affected the employment of our members in the last decade. As you may know, I have been deeply involved, almost exclusively, in collective bargaining negotiations for new contracts in the over-the-road trucking and local cartage industries covering thirteen midwestern states. These negotiations have just been concluded, and I hasten to comply with your request.

It is not as easy to link the impact of automation upon unemployment in our industries as in the case of other cases where membership is concentrated in one or two industries. The reasons are several.

In the first place, the diversity of industries in which The International Brotherhood of Teamsters has membership complicates the job of assessing the impact of automation on employment. It is, therefore, hard to be specific about unemployment. Some of these industries are relatively stable; others fluctuate considerably in employment because of seasonal or other factors.

Most of our approximately nine-hundred (900) local unions are so-called "general locals". That is, they organize workers in many industries in the geographic area in which they have jurisdiction. Thus, when such local unions report a drop in membership, The International Union has no way of knowing the industry or industries in which jobs are declining, or the reasons for such declines.

The problem of workers employed in industries within the jurisdiction of the Teamsters' Union differs in some extent from those in non-production industries. Most of our members are in the service and transportation industries. The delivery of milk, bread, laundry, newspapers, etc., is a 24-hour business; and most of our members in these industries work a full year. Our members' employment in such industries tends to be more stable than heavy manufacturing industries subject to cyclical fluctuations. Many of our members work for small firms who have to continue to provide deliveries, regardless of volume.

The Honorable Elmer J. Reiland
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In the trucking industry, unlike most other industries, current statistics on employment are not available either from the Interstate Commerce Commission or the Bureau of Labor Statistics.

The trucking function is performed as part of the entire freight commerce or transport carrier industry and also by virtually every other industry in the nation necessary.

The extent and incidence of unemployment, whether due to automation or other causes, varies considerably among these different industries at any given period of time. This complicates the problem of determining and assessing the impact of automation on our truck driving membership.

Although our automation unemployment problems may not be as severe and as concentrated as other unions, we nevertheless have our share.

Enclosed are three separate attachments describing automation developments and output and employment trends in three industries in which the International Brotherhood of Teamsters is the leading union: trucking; fruit & vegetable canning & preserving, and dairies. The easy examples of mechanization and automation in these industries and the lag of employment behind productivity indicate automation's impact on employment in industries which employ substantial numbers of our membership.

On the basis of the employment and productivity figures shown in these attachments, it is fair to conclude that mechanization has outstripped the creation of new jobs. Employment is not increasing to the same extent as the output of industry.

Teamsters are generally more affected by mechanization than by automation. The biggest impact of automation is being felt in highly mechanized factories, which affects some of our membership in the warehouses, canneries, breweries, dairies and offices. Machines as such cannot replace the truck, tool or bus driver. But more efficient mechanization is eliminating the manpower needed to operate existing jobs.

Increased weight and size of trucks and mechanical equipment has increased the productivity of the individual driver. Years ago a horse and wagon required a 10-hour day to move only 10 tons of earth. Today a driver operating a 10-ton dump truck can move 100 tons of earth in ten hours less working time at one-fourth the cost per ton.

In warehousing, electronics, select mechanization, automatic conveyors and automatic loading and unloading equipment have been combined with other advances to make operations at our warehouses largely automatic. Warehousing has been evolved by the development of unitized loads, roller and chain bed trucks, channel pallet adapters, palletizers, depalletizers, conveyor systems, electronic sorting, and a whole area of electronic devices.

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Inventory data processing eliminates much of the manual paper work in warehousing and increases the use of machines in record keeping.

The result is fewer jobs.

Automation has permitted present workers in the industry to produce more per employee. At the same time, the greater output or productivity, by permitting the same or smaller number of workers to produce more, means that the industry cannot utilize new entrants into the labor force. This produces what might be called the "iceberg" effect - unemployment which is not attributed to any particular industry but which is generalized. Employment opportunities do not exist for those entering the labor market or for those losing their jobs in other industries. This has been true even in the trucking industry which has shown marked growth over the past few decades - a growth sufficiently rapid to counteract diminished job opportunities stemming from automation.

A dynamic and effective organizing program has helped to offset Teamster Union membership losses due to technological or automation unemployment. The Teamsters Union has been the only major trade union which has aggressively kept pace with the giant strides of the American economy since the end of World War II.

In 1945, at the end of World War II, the membership of The International Brotherhood of Teamsters was 595,220. In 1959, membership totaled 1,625,000 - an increase of 173%. Teamster membership in 1959 represented an increase of 62% over 1950.

Although our union has minimized automation's job losses, we have nevertheless felt its impact, as the attachments referred to above clearly indicate. Other unions and their members have undoubtedly suffered to a far greater extent. We join with them, and with the rest of the American labor movement, in stressing that it is time to take action on several fronts to do something for the victims of automation-created joblessness.

The postwar "population explosion" will have its greatest impact on our labor force in the next ten years. By 1970 there will be 87 million new Americans able and willing to work; and this means that we must create 25,000 new jobs every week for 10 years just to keep pace with this growth. That figure does not allow for job shrinkage caused by automation and technological change. Without a sharper rise in jobs than has been taking place in recent years, new unemployment problems may well become a nightmare.

Even the National Association of Manufacturers, in its weekly publication, NAM News, concludes that employment problems will be "severely magnified" by automation-caused occupational shifts. This report adds that the need for production workers "has been decreasing despite higher output because of higher speeds, mechanization and technological improvements". It looks forward to still greater mechanization and displacement.

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Since 1953, each peak of the business cycle has found unemployment a little higher than at the previous peak. With each recession, there are more unemployed than in the previous one. When considered along with the accelerated growth in the size of the labor force, the employment and unemployment dilemma of our country assumes great size. Our national policies must gear themselves quickly to creating productive jobs and to creating employment opportunities - in a word, to implementing the principles of the Full Employment Act of 1946.

Unemployment is widespread among those workers considered the most employable people in the labor force - experienced, non-casual workers, between 25 and 44 years old.

About a million workers fall in the long-term unemployed group (out of work for fifteen weeks or more) and face serious problems of wage loss. This group represents 26 percent of all unemployed.

The bare figures on unemployment do not tell the full story of those affected by automation. In addition to those fully out-of-work, in 1960 there were a total of 1,126,000 wage and salary workers in nonagricultural industries who usually work full time but who, during 1960, worked only part time for economic reasons.

The thousands of workers already affected will shortly be joined by additional thousands. It is therefore vital to mobilize the nation's efforts and resources to promote employment security. This is crucial not only to the victim of technology and automation but to our nation as a whole.

This is of concern to our national economy because the combination of increasing numbers of unemployed, greater man-hour productivity, and a declining rate of economic growth tend to accelerate widespread displacement of workers and continuing unemployment even during relatively prosperous times.

There are 500,000 fewer full-time jobs in America today than there were three years ago, and fewer man-hours of work are being provided in the private sector of the economy than there were seven years ago, although the labor force has increased by 3.5 million during the period.

The outlook for the next decade is that more workers "ready, willing and able" to work will be seeking fewer and fewer jobs as our labor force grows; as automation and technological developments create pools of unemployment; as the rate of economic growth slows and tapers off and periodic recessions bring in their wake creeping unemployment.

It is almost axiomatic that our economic and social system provides for the leastest victims of the social and economic changes which automation produces. We recognize that advancing technology is part of the dynamics of industrial progress. At the same time, as a trade union, we insist that workers should not bear the sole brunt of technological change.

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Our concern is with the economic and social impact of automation and the serious nature of the problems confronting workers as a result of mechanization. This is not a selfish attitude, but one of responsibility to our members, to consumers, and to the nation.

We know that there is no self-adjusting labor market which automatically acts to provide jobs for those thrown out of work by automation or technology. We believe that it is unjust and anti-social to make workers shoulder the entire burden of automation. We believe that policies have to be developed to transfer the benefits of automation into economic abundance and gainful leisure for workers. Unplanned technological change can disrupt workers' lives; programs must be devised to reduce the harmful effects of these new techniques and processes.

We must assure to workers a fair distribution of the fruits of productivity. We must also alleviate hardships for those displaced by automation and protect the job opportunities, wages and working conditions of those retained on the job.

Collective bargaining - the trade union's tool - has developed a variety of solutions to automation: greater wage increases; guaranteed employment on a year-round basis; shorter hours with no loss in take-home pay; broader seniority rights including preferential hiring rights for laid-off workers; retraining displaced workers at company expense; dismissal pay; improved pension plans, including earlier retirement and vesting of benefits after relatively short period of service; etc. These collective bargaining provisions constitute, in essence, a form of social cost to industry of automation. They call for a high degree of social responsibility by management.

As is known, however, that no amount of change in the way of technological change - even though we know of the problems which such change creates for the workers. We recognize that a higher standard of living - which we seek to achieve for our members - is often dependent on change.

But collective bargaining alone cannot do the job. Collective bargaining covers only about one-fourth of the economy. The automation problem is too huge and too widespread. It is too complex. It is increasing rapidly. It is now a national problem.

Collective bargaining cannot protect workers of the type just referred to cannot create essential job opportunities. Labor-management bargaining attempts to solve the problems of widespread technological unemployment are essentially stopgap. Collective bargaining alone cannot cope with the tremendous pressures of automation and consequent unemployment. For this, we need national economic and social policies to be developed through joint cooperation between government, industry and labor. The business magazine *Fortune* in its January, 1961 issue states that "the vital task ahead is one of job creation, and the vital emerging currents have one national and regional in scope." In brief, then, government participation and aid are essential if we are to find solutions to automation unemployment.

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We suggest and recommend the creation of a National Commission on Automation, composed of representatives of labor, industry, educators and the public, to study the impact of automation on our economy and to develop plans and programs to minimize its impact on workers, communities and the nation.

The scope of such a program should be researched, formulated, and put into action as soon as possible if we are to avert national economic and social disaster and if we are to permit collective bargaining to function in our free, democratic society without becoming burdensome too great for that institution.

We believe that such a commission should consider, at the very minimum, the following measures:

Strengthening and broadening unemployment insurance coverage so as to meet the most pressing immediate financial needs of the displaced worker and his family;

Lowered retirement age under Social Security;

Redevelopment of depressed or declining areas;

A higher minimum wage;

Training centers operated in conjunction with our schools and State Employment Security offices to provide job training for young workers coming of age and for men displaced by technological change, to adapt them to the shifting job trends and occupational qualifications;

Relocation subsidies and other security guarantees to workers permanently displaced by reason of technological changes;

Strengthening the public employment service.

Certainly, our tax and monetary policies should be revised to assure that they are stimulating economic growth and job-creating potential. Solving the problems of automation is dependent on maintenance of a full employment economy. Growing productivity - a consequence of automation - must be accompanied by a positive economic and fiscal program to maintain and expand purchasing power and to stimulate economic growth in proportion to greater output. Full employment must be the goal! All such measures as unemployment compensation and job retraining are of little use unless there is a job at the end of the readjustment process. It is for this reason that our national policies must foster job-inducing, job-creating programs.

We need a national economic policy. We need a massive attack on all aspects of the automation problem by the combined efforts of government, labor and management. We need to coordinate all our efforts if we are to forestall a nightmare of mass unemployment. Only by such joint efforts can we develop

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adequate solutions to this problem. Only by such actually arrived-at solutions can we release the forces which will assure and increase the future productive efficiency of our economy.

Your committee has a grave responsibility. We wish you well in this task, and we offer you our wholehearted cooperation.

Very truly yours,

James R. Hoffa
General President

JRH/AM/hs

ENCLOSURES (3)

Research Department
International Brotherhood
of Teamsters
January 31, 1961

AUTOMATION AND EMPLOYMENT TRENDS IN TRUCKING

Technological changes in the trucking industry have taken a variety of forms, described below. However, they have not constituted major technological breakthroughs such as have occurred in the mass-production industries or even other transportation industries such as the airline, water carriers and even the railroad industries.

Outwardly, the trucking industry does not seem to have changed much in character, despite its enormous growth. Yet the cumulation of a variety of technological changes have slowed down employment in a rapidly-growing industry and have enabled the present work force to produce more.

The following table shows that trucking employment in the last decade has lagged behind the industry's "output" -- intercity ton miles:

INDEXES OF TON-MILES OF FREIGHT AND EMPLOYMENT IN THE
HIGHWAY TRUCKING INDUSTRY, 1939-1958
(1949=100)

<u>Year</u>	<u>Intercity Ton Miles^{/1}</u>	<u>Employment^{/2}</u>
1949	100	100
1950	137	110
1951	151	122
1952	148	127
1953	159	134
1954	151	133
1955	173	143
1956	173	151
1957	176	154
1958	177	150

^{/1} - Intercity ton-miles of Class I, II, and III intercity common and contract motor carriers of property, operating under Interstate Commerce Commission authority.

^{/2} - Full-time equivalent employees. Full-time equivalent employment measures man-years of full-time employment of wage and salary workers and its equivalent in work performed by part-time workers. Excluded are estimates of employees engaged in public warehousing.

Illustrative technological changes and automation developments in trucking operations are described below.

1. Advances in equipment design and construction

To enable truckers to carry longer and heavier hauls, motor carriers and equipment manufacturers have been developing lighter equipment carrying more payload without any boost in the gross maximum weight or length or height of the vehicle.

A parallel trend involves changes in the usage of units now available, changes reflected in the 60-foot tandems seen frequently in the West, and in the big 98-foot or more "double bottom" (two trailers pulled by a single tractor) now authorized in several eastern and mid-western states.

Use of the diesel engine in trucks continues to grow. Ten years ago some 5 percent of all heavy-duty trucks were diesel powered. Now more than 25 percent are so equipped. The superior fuel economy of diesels permits the use of more powerful engines, which in turn produce higher daily mileage.

Within the next few years truck engines with double the power of those now on the roads will begin to make their appearance. Since they will be capable of higher sustained speeds along the new Federal highway system, they offer the promise of a dramatic speedup in long-distance truck schedules.

There has been a steady increase in allowable weights and in length of trucks and trailers. In 1956, there were 11 states which limited over-all tractor-semitrailer length to 45 feet and three states imposed a limit of 48 feet. Today, all states allow at least a 50-foot combination, with 33 states at that figure; four allow 55 feet; eleven 60 feet, and three 65 feet or more. In addition, certain toll roads have authorized the use of 98 to 105-foot "double bottom" tandem trailers.

In 1948 units of 28-30 feet in length led in van trailers produced (27.5%). In 1960, 60% of the trailers were in the 38 to 40-foot category.

Even over the past few months, several states have announced new permissible lengths and weights for their highways. For example, the District of Columbia now allows 40-foot trailers. Kentucky permits 50-foot tractor and semitrailer combinations.

In South Carolina and Michigan, 55-foot combinations are permitted. In Utah, 60-foot units are approved, with permits granted annually to 65-foot rigs. Maximum weights of these units in Utah can go as high as 79,000 lbs. Although Pennsylvania prohibits doubles or tandems, it allows single trailers as long as 60-feet on its turnpike (but only 35 feet off it).

These liberalized limits on weight and length mean bigger and fewer trailers for any given tonnage to be hauled. In the absence of increased volume, this could, of course, adversely affect the jobs of drivers and platform men.

An unusual semitrailer has been developed. It has no axle between the rear wheels and can be tipped, tilted, lowered to street level, or raised to the height of platforms up to 52 inches to facilitate loading or unloading. It is reported that this design, not yet in much use, cuts cargo-handling costs 33 percent.

A new half-straddle semitrailer has just been put into test use. It can pick up or unload a full-length trailer load of palletized freight in 60 seconds.

2. Piggyback and Containerization

A "technological" change of a sort -- namely, coordination of truck shipments with rail, water and air carrier service -- is taking place in the form of "piggyback," "fishyback" and containerization. Such coordination tends to reduce job opportunities for over-the-road or long-line drivers.

Piggyback is the handling of highway trailers or containers on railroad flat cars; fishyback is the handling of such containers on ships. Containerization is essentially pre-packaging freight in van-sized containers, saving handling and packing costs. Under this concept, piggyback is nothing more than treating truck trailers as containers.

Piggyback, fishyback and containerization may be thought of as a "pipeline on wheels," since the system allows door-to-door delivery without breaking bulk between carriers. The container (whether a highway trailer, van or box) is designed to travel with ease on ships, railway flat cars or on the road.

Containerization differs from piggyback which employs truck trailers which are loaded directly from the road onto railroad flat cars. In the newer system, similar trailers are used for containers but the wheels and chassis are detachable and there is no necessity to haul the running gear along with the cargo.

To the extent that piggyback, for example, provides for transport of trailers or containers on railroad flatcars than on the highways, many truck drivers formerly operating on intercity runs are displaced. Though piggyback traffic represents at present a small fraction of intercity freight, it is growing fast. The nation's railroads hauled 500,000 piggyback carloads in 1960. That was 35% above the 1959 figure and 3.3

times the total for as recent a year as 1955.

Piggyback and its counterpart, containerization, require less packing and packaging and involve less handling -- another form of automated transfer of cargo. Labor requirements are reduced, thereby affecting workers' earnings and job security.

Piggybacking of autos has already cost the jobs of about 15,000 Teamster members engaged in the delivery of new cars from the auto assembly plants to automobile dealers.

The Special Products Division of Moore-Handley Hardware Co., Inc. of Birmingham, has explained how its own containers are used in distributing ice cream for National Dairy Products Corp. in Michigan -- a special case inasmuch as Michigan laws require that a second container in a unit be placed on a four-wheel trailer. (In most States two or more containers are placed on a transport semi-trailer chassis.)

The containers are loaded at the central plant in Kalamazoo with an assortment of 2,500 gals. in each container. The transport train then takes the containers to various cities, dropping one container at a time in, say -- Grand Rapids, Lansing, Holland, Jackson, Hillsdale, Benton Harbor and others.

The loaded container is exchanged for an empty at each point, and the standby refrigeration equipment of the loaded unit is plugged into an electrical circuit. Sometime later, the local route man will pick up the full container for local delivery.

Carriers of household goods are also pushing the use of containers, especially when families are moving long distances. Van-Pak, Inc., of Des Moines, Iowa has developed an 8-foot by 8-foot by 7-foot container for rail, truck, or ship. It uses these containers for its own hauling of household goods and also leases them to other common carriers for other uses.

National Van Lines of Chicago, Illinois is also experimenting with containers that nestle on a special flatbed truck trailer, six to the trailer.

The interesting thing which has developed from the transport of household goods in containers moving to and from overseas bases, to and from points and places in the U. S. is the Thruliner in which household goods or commercial freight may be packed right in the house or factory. These smaller cardboard containers are then taken to the container stations and fitted into the ocean container in groups of two, three, four, six, or eight. The ocean container is then moved by ship to the receiving station overseas, or in the case of inbound traffic, to the station in this country on the Atlantic Coast, Pacific or Gulf Coast, where the ocean container is removed and the separate thruliners are moved to a household goods carrier or linahaul trailer for delivery direct to the consignee's home, factory, or store, where the thruliners are unpacked and discarded. This means only one handling at each end. If air transport is used, the thruliner will go direct to the airplane, eliminating the use of the ocean container on foreign shipments.

George A. Harnel & Co. sends fresh meat from its Austin (Minn.) packinghouse to customers in Minneapolis-St. Paul by aluminum refrigerator containers; each over-the-road tractor-trailer hauls three containers, and these are conveniently split up among local delivery trucks in the cities.

Along with the containers, which can move right through from point of origin to point of destination with the freight sealed in, new equipment for handling them is making its appearance.

One of the most remarkable in appearance is the self-propelled, vertical lift, free-traveling crane developed jointly by Gestrein Lines

of New York and Travelift Engineering Co. of Sturgeon Bay, Wisconsin, which is described as the "first switching engine of the trucking industry."

Oddly resembling a spider, on four tall legs, each rolling on an aircraft type tire, it straddles a trailer chassis, lifts the container vertically between its legs, then rumbles off to deposit it elsewhere without the need for rails, special paving or tractor towing power.

Operated by one man, the "spider" can carry 25 tons at 10 miles an hour. Designs for larger items of this type are on the drawing board.

3. Road Systems

The Federal-Aid Highway Act of 1956 initiated a new multi-billion dollar highway program. This new system of interstate highways will mean more sustained high speed movement and thus more yearly mileage per truck or tractor-trailer. Combined with the economics of motor vehicle sizes and weights, the National Interstate Highway System should bring with it new standards of highway utilization, moving traffic faster and more safely. The highway construction program is certain to bring substantial benefits to the highway carriers in reduced point-to-point travel time, reduced mileages, fewer accidents, etc. Another benefit, of course, are fewer drivers because of less travel time due to higher average speed.

Backbone of the expanded Federal State highway program is the presently designated 41,000-mile System of Interstate and Defense Highways. The Interstate System joins 42 state capital cities and 90 percent of all cities over 50,000 population. It serves 65 percent of the urban and 85 percent of the rural population, and is the key highway network from the standpoint of Federal interest in productivity and national defense. When completed, the 41,000-mile system will represent approximately 1.2 percent of total road mileage but will carry 80 percent

of the traffic.

The Interstate System will incorporate, as it is built, the most modern techniques of highway construction and design. It will be a controlled access expressway and 95 percent of the presently designated mileage will consist of divided highways of four lanes or more. This mileage, when added to anticipated improvements on other primary highways, will mean that by 1975 we shall have 59,000 miles of divided highway mileage of the most modern design, compared to 11,720 miles of this type facility in use today and 3,573 miles in 1948.

An essential part of the new program is the extensive provision for urban highway facilities, which will include by-pass routes around our major cities as well as improved expressways within urban areas. These will mean faster and more efficient movement of intercity traffic with a minimum of delay and congestion.

The national system of interstate highways will help the trucking industry in the long run. Heavy trucks on the road are now greatly retarded in climbing steep hills and working their way through congested traffic of towns and cities. The new highway system will reduce the sharpness of grades and will bypass congested areas. This will reduce wear and maintenance of vehicles. Because of less movement in low gear, it will cut out fuel consumption per ten-mile. By reducing over-the-road time, the new highways will increase mileage per driver-hour and on many runs, will thereby cut labor cost. In intercity trucking, over-the-road costs constitute a much higher portion of the total than is true of railroading, and these savings will be important.

Since the new system is to touch all 48 states, it will provide express highways along routes where they simply don't exist today --

thus opening the opportunity for much faster delivery schedules over longer distances.

The higher average speed possible through extensive use of modern roads and turnpikes enables trucking firms to extend overnight service to more distant points, thus widening their markets, while improving schedules of regular delivery points. The higher speed allows the driver to cover more miles within his hours of service limits.

The combination of improved roads and advances in power equipment have had the effect of increasing the average speed of a motor truck moving down the highway without materially increasing its maximum speed.

Many states are increasing permissible truck speeds to 55 m.p.h. Also, many turnpike roads permit speeds up to 70 m.p.h., which will increase the average miles per hour. With improved highways, the driver will not develop as much fatigue on the new highways as was formerly developed 10 years ago on the then existing highways.

A recent report to Congress indicates "that the controlled-access highway is at least 2½ times as safe as the ordinary highway, and in some instances has a fatality rate as low as one-fifth of the national average of all streets and highways." The report also states "significant savings in travel time and greater convenience in travel are important advantages of highways having full control of access."¹

The New York State Thruway on June 1, 1960 established a uniform speed limit of 60 m.p.h. for trucks as well as passenger cars. Tandem trailer or double-bottom rigs will still be limited to a 50-mile maximum

¹ - The Federal Role in Highway Safety. 86th Congress, 1st Session. House Document No. 93. March 3, 1959. P. 3, 60.

speed because specifications for their special brakes, hitchas, safety chains and other equipment were based on that top speed.

With better highways and more powerful equipment, more miles can be covered in shorter period of time, enabling the trucker to extend his services. Previously, on given trips, a driver would have to lay over away from home, because he could not complete the round trip to his home terminal without violating the maximum driving time allowable either under law or under the collective bargaining contract. Today, such trips can be operated on a round trip basis -- again reducing the need for drivers.

4. Double Bottom or Tandem Operations

The economies of the new highways will be greater, of course, as new vehicular arrangements emerge designed for new highway conditions. Illustrative of these is the double bottom operation now under way on certain toll roads, in which two semi-trailers are drawn by a single power unit.

Tandem, or "double bottom" operations are not new in trucking. They are common in the West. What is new about the latest developments is that these tandems are larger and heavier than others and they involve toll highways.

In most instances, the tractor has less horsepower than the sum of the two it displaces. Partially offsetting the reduction in the number of power units, an additional dolly has to be provided to support one end of the rear semi-trailer. Under these circumstances, the chief operating economies are as follows: labor, fuel, depreciation, interest, and maintenance. While economies will vary widely between operations, a saving of 25 percent, say from 40¢ per trailer-mile down to 30¢, is not unrealistic for operators favorably situated. A significant portion of this saving, of course, is lost by the necessity for supplying tractors

and drivers for the short-haul interchange at entrances and exits to the main highway.

The use of "double bottom" tractor-trailer combinations has been authorized on the New York, Massachusetts, Ohio, Kansas, Indiana and Illinois Turnpikes or toll roads. The doubles extend up to 100 ft. overall. And the use of doubles may expand further.

Currently, the Bureau of Public Roads and the American Association of State Highway Officials are studying the possibilities of using double bottoms on federal-aid highways.

Thus far, tests of double-bottom operations have been successful on all thruways and turnpikes where they have been conducted. On the Ohio Turnpike, at least 500 doubles use the artery each month.

What these add up to, of course, is higher productivity -- more tons of freight moved per man and per vehicle. The double size rigs obviously cut labor costs; one driver hauls twice as much. Fuel consumption is less. Time consumed is less. Net savings to the trucker are more than 20 percent per mile.

There are wage savings due to the hauling of a double load with one tractor. Service is expedited due to the higher speeds attainable, and the absence of traffic lights on the through highways. With fewer stops and starts, wear and tear on tires, gears, and engines is less.

The Tandem hook-ups enable the truckers to move more payloads per power unit, which is to say per a major slice of invested capital. The customary tractor-trailer combination in New York, for example, is limited to 65,000 pounds, but 120,000 pounds is authorized on the New York State Thruway. Double bottoms, therefore, may well mean doubling truck payloads and reduced operating costs.

Of extreme importance is the fact that if the Thruway vehicles prove themselves and show that vehicles of greater lengths and gross loads are practical and fully compatible with Thruway facilities, then these same vehicles are operational on any highway design similar to the Thruway.

The New York Thruway operations involves the use of break-up points at interchanges to allow the individual units of the combinations to be taken off on the state's regular highway system. As individual units of the combinations are loaded to conform with the state's size and weight laws when operated individually, they can be taken to and from the interchange points with conventional road tractors and operated legally everywhere in the state.

For all the limitations of the double bottom rig, it should be regarded as only one of a number of possible new vehicular arrangements, some of which will almost surely emerge from the novel traffic characteristics of the new highways. The vehicle will certainly adapt itself to the opportunities of the roadway, and regardless of the fate of the double bottom, as such, the economies of the new highway system will probably go well beyond those afforded to vehicles of present design. For the time being, the engineering of the vehicle has outrun the engineering of the roadway -- but this is not likely to last.

Another type of labor saving occurs in reduction of costs, involved in coupling and breaking tandems or double bottoms at turnpike entrances and exits. The Welf Wagen, under experiment in Texas, typifies this aspect of labor saving. The Welf Wagen is a self-propelled van which can be hooked in tandem and by mechanical connections, both power plants can be utilized to propel the load carried. This equipment, if proven

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successful, would eliminate one driver in moving tandem trailer equipment from the terminal make-up area to the turnpike entrance, at which point two trailers are hooked together and carried over the turnpike to the proper turnpike exit, at which point it is again necessary to break the tandem trailers into two separate units. At entrance and exit then an additional driver is needed.

"Twin-tainers" -- two 20-foot trailers which can be combined into a single 40-foot unit or used separately -- will be introduced soon. They will allow doubling the load for a single tractor at a midway route point.

One company (Chicago Express, Inc.) has initiated runs between Philadelphia and Chicago over the Pennsylvania, Ohio and Indiana Turnpikes with a truck trailer 60 feet in length. The van operates on the turnpikes as a single trailer, but off the bigger roads can be converted into trailers of 40 and 20 feet. The 40-foot length is usual. It can carry up to 60,000 pounds, compared with around 32,000 for a 40-foot unit, has a 3,650 cubic foot capacity as against 2,300 for the standard trailer. Over-all costs, including labor, are lower, on a per-mile basis because of larger loads per unit.

Like the so-called "double bottom," two trailers in tandem behind a single tractor, to which the big van is related, it is designed to enable a carrier to haul more freight payload per power unit and thus reduce line-haul, operating expenses.

5. Terminal and Office Operations

Widespread terminal improvement and mechanization programs have been under way in trucking, designed to expedite the handling of freight across the dock and to reduce the manpower required to handle a given tonnage of freight. These developments have displaced labor and cut employment opportunities for dockmen.

New terminals feature such labor and damage-saving devices as a mechanized "drag-line," a moving chain which pulls wheeled freight containers along an elongated oval pathway in the terminal. The dragline puts truck loading, unloading and shipment grouping on an assembly line basis. Manual labor is saved. It speeds sorting and eliminates handling. Earlier and more accurate dispatching is achieved. One large company (Consolidated Freightways), by using draglines and other devices instead of hand trucks, raised its system-wide terminal freight handling capacity to 1,682 pounds per man-hour in 1959 from 1,514 pounds in 1956.

At Spector's New York terminal, carts are routed electronically. Platform men don't have to watch cart numbers, since the electronic system automatically ejects carts at the right station.

Other improved dock handling techniques include telescoping and mobile conveyors; hoisting trailer to dump bulk materials; overhead hoists; dock-leveling ramps; inclined tracks, pre-loaded carts.

Mechanical handling techniques are expanding at motor carrier terminals. Illustrations are cited below:

1. An electrically controlled retractable belt conveyor shoots cartons right into the truck, saving time and effort. When connected with terminal or warehouse conveyors, the loading operation becomes almost automatic. The telescoping conveyor is especially effective for non-palletized goods, or where pallets are impractical.

2. A pushbutton loading ramp moves up, down and out to match ever-changing tailgate heights and custom-fits the truck to the dock, forming a bridge between truck beds and terminal floors.
3. An overhead traveling hoist makes loading a one-man job and ends loading bottlenecks.
4. A pushbutton mobile conveyor sends a full truckload into the warehouse. Truckloads of eggs move from truck to warehouse in less than 5 minutes at Poultry Producers of Central California, San Leandro, by means of a powered winch conveyor that moves sideways on rails, up and down the dock.
5. Gravity pulls a pallet right into a truck or trailer through a gravity-roller system operated by one man. Used with pre-assembled loads, this technique loads a 1750 cubic foot trailer in 30 seconds. Roller conveyors extend out of the warehouse, across docks, to truck doors. Each truck dock is also fitted with roller conveyors. Furniture packed in containers, rides on simple plywood pallets which, with a slight push, roll into the truck.

A new 52-door terminal in Brooklyn, N. Y., features a dual, semi-automatic freight handling system.

Inside this 351 by 27-foot dock area are two almost concentric mechanical tow lines, capable of handling 450 carts. The outer line conveys shipments from receiving doors to a control center through which all freight passes. The system differs from other operations in that the inner (or shunt) line "almost thinks for itself."

From the control center a central clerk can direct a switch cart to proceed on the shunt line directly and separately to any of 52 doors in the terminal for loading or unloading. If the central clerk so instructed, the switch cart would proceed to an assembly area to wait until a trailer was ready for its shipment. The system is on simple, dependable and tested mechanical principles. Inclining floors were used in strategic places, resulting in movement of switch carts by the force of gravity.

In operation, the outer line conveys each switch cart from unloading doors to the control center. There, a clerk checks the cart for number of pieces and destination. He then dials a door number on a countdown unit located waisthigh on each of the switch carts. This initiates one of the terminal's important innovations.

If a designated door is ready for shipment, the clerk engages the switch cart in the shunt line. For each door, there is one ridge adjacent to the line. Each ridge counts down one number. If door #10 had been dialed, there would be one click in the countdown device for each door the switch cart passed. At the tenth click, the cart has arrived at door #10. The cart automatically disengages itself from the line, and turns onto one of the spur lines for unloading. There are three spurs at each of 22 doors.

When a trailer headed for the shipment destination is not available at the time the switch cart reached the control center, then the control clerk would not send the cart directly to a door.

Instead, the clerk would still dial the door number, but would engage the cart in another part of the shunt line for towing to the assembly area. An electrical "memory" device operated by the control man guides the switch cart in this area.

In the assembly area, the switch carts may be on any of 19 lines, each of which has room for 12 carts. These lines slope gently toward, and are connected to, the shunt line, but a pin placed in the floor prevents them from entering. When the appropriate trailer is ready, the pin is released, and the switch carts roll onto the line and proceed to the dialed door. The lines move at 100 feet a minute.

Three central clerks can work in the control center at peak periods and allow three times as much freight to be handled.

A scale incorporated into the shunt line system weighs each switch cart immediately at the control center, recording the weight on a special tape. This helps insure quality control over the servicing of customers' freight by permitting a cross check of scaled weight and billed weight, thus eliminating possibility of shortages or overages.

At the 20 of the 52 doors of the terminal that are not serviced by the shunt system, "odd" freight is handled. An odd freight area, for freight that cannot be handled on switch carts because of unusual shape or size, is adjacent to the control center. This area also provides space and facilities for handling "Problem" or "Special" shipments, such as "Rush," "Red Label" and "Hold for Pickup" and so on. Fork lift truck and four-wheel carts are available for special types of freight. The shunt line, however, handles 90 percent of the shipments.

Because of the shunt line system, it is not necessary that there be inbound and outbound sides of the terminal, as is conventional in other terminal operations.

As a tractor-trailer combination prepares to leave the area, its axle weights are recorded both at the scale and in the terminal dispatch office.

Another large terminal just outside Chicago (Olsen Transportation Co.) has a dock which permits loading or unloading of 150 trucks simultaneously. Designed to handle six million pounds of freight per day, the dock contains a freight car conveyor, which completes a circuit of the dock in a continuous movement every 12 minutes. Among other handling equipment are a mechanized barrel handling apparatus, fork lift trucks for all load sizes, and overhead cranes.

An automatic truck scale allows a driver to weigh without leaving his cab. A green light indicates when to pull ahead to weigh each axle. The driver leaves his truck only once instead of the usual three times. His axle ticket is picked up at a computer 150 feet from the scale, leaving the scale free for the next truck. At the computer location there will be an electronic teleprinter system constantly transmitting instructions to the men who shuttle equipment between the dock and the yard.

Automatic dockboards speed backing to the dock, and allow safer unloading. A network of pneumatic tubes will relay the freight bills.

Using closed-circuit TV as an operational tool, the chief dispatcher at Yale Transport Corp. runs 10 TV monitor screens and a public address system to direct loading and unloading of 200 to 300 trucks nightly at one terminal.

A well-known grocery chain is using high-speed electronic computers to simplify truckloading, that is, to load goods in the reverse order of delivery stops. The computers prepare invoices that indicate the sequence in which the goods ordered by individual stores are to be placed on the delivery truck. This means a quick turn-around for the trailer.

Truckers are now turning to automated and electronic data processing to handle billing and related activities.

The trucking industry long has been confronted with an almost overwhelming volume of paperwork that must be performed within tight time limits. One company, for example, (Norwalk Truck Lines) has upwards of 10,000 freight bills alone to process daily and a large number of customer collections to complete in a like period of time.

Consequently, some truck lines have installed electronic systems to relieve clerical problems and handle paperwork volume. Computers are used for revenue accounting -- processing and keeping track of accounts receivable as well as interline accounts payable.

While performing revenue accounting, these electronic systems also produce such management control data as quality and quantity of freight handled; outbound and inbound statistics; quantity balance; etc. Other computer applications include payroll processing, maintenance of personnel records, maintenance and operating cost processing and control, preparation of various regulatory reports, etc.

One large motor carrier has installed a new billing technique which cuts billing costs in half yet prepares bills at high speed with greater accuracy. The new technique differs from the present system in the manner of copying information from bill of lading onto the freight bill after the rate clerk has entered the charges.

Under today's typical setup, a billing clerk does the copying onto a 6 - 10 part freight bill set. This typing is usually done at night, under pressure, with the average clerk typing 50-70 an hour. And a 25% error factor is not unusual. This new procedure

is repeated often because 80 percent of all shipments involve a second carrier, and often a third.

However, the new system combines the two basic transportation documents -- bill of lading and freight bill. The shipper's original writing is used for all operations, including billing and interlining. Instead of a battery of billing clerks, there is one duplicator operator. First, the operator uses an Addressograph machine to enter the "pro" (progressive) number as well as carrier and terminal location on the "master." Then, the combined bill of lading and freight bill "master" is duplicated in black-on-white. Copies are made in any quantity up to 400 per hour. With one turn of a handle, up to 10 copies roll out.

The use of electronics has been expedited greatly. For several years, two way radio service has been used to a limited extent to provide communications between terminals and the vehicles along intercity highways. The use of radio for dispatching in pickup and delivery service in metropolitan areas, however, was not authorized until 1958. Since then, additional frequencies have been allocated, and there was a trend toward greater use of two-way radio communication in local service. The use of radio in intercity operations also increased. There were 1,520 interurban base stations in early 1960, compared to 575 at the end of 1956, and approximately 34,081 mobile radio units in service at the beginning of 1960, compared to 10,800 at the beginning of 1956.

Radios in tractor cabs allow constant direct contact between drivers and dispatchers, thus further improving the flexibility of operations and availability of equipment, with a consequent better service to customers and saving in vehicle and man hours. Dispatchers, through use of short-wave radios, control the driver's movements and time out days on layover time and "deadheading" -- returning an empty truck from a city where it has delivered a load.

Some carriers are putting in direct telephone communication between terminals to expedite space reservations and dispatching. District terminals are given earlier advance

notice of trailers enroute to them, thus enabling them to plan for next morning arrivals.

6. Truck Maintenance

Electronics is now in process of being applied to truck maintenance and repair. An electronic digital computer is now available to take the guesswork out of vehicle diagnosis and repair. The computer can determine not only which individual part in a complete power unit is defective, but approximately how long it is safe to keep the unit containing it in service before it will fail. This prediction can be made just three minutes after the vehicle has been hooked up. Without removing or disassembling any unit, the computer interrogates the vehicle with a number of sensing elements called transducers and then uses logic, in much the same manner as a skilled mechanic would, to diagnose specific mechanical failings. The system is so thorough that it can pinpoint a single bearing, gear or cylinder as the potential trouble source. Then it prints this information on a card which tells the mechanic just what's wrong.

The computer is not limited to engine, transmission or rear-axle analyses as are lubricant sample testing techniques. The computer can check out electrical, fuel, and braking systems as well. Suspension tests and metal fatigue measurements are also possible.

The impact of such equipment on job opportunities for truck mechanics is obvious.

Summary

The changes in methods and techniques described above have already had a significant impact on productivity in the trucking industry and on employment. The continued growth of the trucking industry has minimized the adverse consequences of such changes on employment and job security of the industry's employees.

It is also possible, however, that the trucking business may undergo a considerable expansion without a corresponding increase in driver employment. State limitations on truck weight, size and speed are being liberalized as a result of the construction of better highways. The movement of bigger loads at higher average speeds

could result in a need for fewer drivers than would otherwise be required to move the tremendous increase of over-the-road tonnage anticipated during the 1980's.

More and more fork lifts and trucks equipped with power tail gates that can be raised or lowered to platform or ground level replace manpower in the loading and unloading of vehicles and reduce the time needed by each driver to make his deliveries.

As indicated above, piggyback traffic, although relatively small at present is growing rapidly. Such increased traffic is, in most instances, at the expense of over-the-road truck operations, and means fewer loads driven long distances by drivers.

There is a counterbalancing force, however, which affects drivers' employment opportunities, since under piggyback, more men are needed in the loading and unloading operation at the piggyback terminal.

In addition, the motor common carrier will have to provide local drivers to shuttle trailers between the motor carriers' docks and the piggyback terminal. Thus, two new types of jobs will be created: the terminal loader and the city shuttle driver.

* * * * *

AUTOMATION AND EMPLOYMENT TRENDS

International Brotherhood
of
Teamsters

IN THE

CANNING INDUSTRY

The canning industry was one of the first to utilize the principle of automation. The industry today is one of the most highly mechanized of all American industries.

Automatic box dumpers, pallet handling with fork lift trucks, high speed fillers, bottling machines, and automatic case fillers are but a few of the materials handling and labor saving devices that have been developed.

Automatic unloading is done at speeds up to 2,000 cans per minute for the small can sizes.

Since vertical retorts remain the most widely used equipment for the heat processing of canned foods, equipment has been worked out for loading and unloading the crates automatically.

Warehousing has similarly been mechanized with cases being palletized for lift-truck stacking. One installation has automatic palletizers to which the sealed cases are conveyed from one or more high speed lines.

New can closing equipment has been developed. Very high speed multiple-head (8 & 10 stations) closing machines have been perfected for high speed lines. These operate as fast as 1,000 cans per minute on small and medium size cans.

Present-day machines permit fruits and vegetables to pass virtually untouched from the field into the can. Pits of peaches and apricots are cut out mechanically, cores of apples are removed, and their skins peeled by machines.

Technological improvements in the canning industry have introduced increased canner yield per ton for some products.

To insure fast handling of the crop, harvesting and packing are synchronized in a program in which mechanical picking is paced at an average of 1½ hours ahead of processing. A mechanized picker harvests five tons of ears per hour.

The degree of mechanization in food processing can be illustrated by a simple statistic: In one three-shift 24 - hour day during the 1960 season, the Stayton Canning Co., Stayton, Ore., processed 400,000 lbs. of frozen corn, in addition to the dry sweet corn.

The Libby-McNeill & Libby peach cannery at Gridley, in California's "peach bowl" has mechanized its receiving, preparation and processing departments to handle peaches at a rate better than a ton a minute. This means that when operations are at capacity, more than one hundred peaches go into cans every second of the working day.

Mr. Edward H. Burns, President of the National Canners

Food workers have increased their output per man-hour twice as much in the past decade." For canners, it is 50 percent for the industry as a whole, he stated.

In 1950, output in canning, preserving & freezing increased by about 40 percent over 1947. During this same period, production worker employment declined about 10 percent. (Table 1)

In 1950, output per man-hour in this industry (for production workers) was about 60% above the industry level of 1947.

Table 2 also shows the decline in employment while production, in millions of standard cases, increases from year to year.

Not all of the increase in output per worker in food processing (or the decline in number of workers needed per unit of output) was due to automation. However, this is largely just a question of definition. When automation is defined very simply as the displacing of a worker's effort with the use of machinery, then there is no question remaining that automation is by far the most significant, if not the only factor involved.

If the above changes in output per man hour had not been accompanied in the 1950's with increased production demands related to the population expansion, the results might have been disastrous to many of the local unions in the canning division. However, increased production has not been sufficient to prevent a decline in real wages in food processing, because of the overpowering significance of the automation trend and the consequent productivity increases which are behind the output per man hour statistics.

In June 1958, Mr. Edward E. Burns, President of the National Canners Association reported:

"Commercial food canners have increased their output per man-hour twice as much as other industries in the past decade." For canners, it is 50 percent against 25 percent for industry as a whole, he stated.

In 1958, output in canning, preserving & freezing increased by about 40 percent over 1947. During this same period, production worker employment declined by 12 percent. (Table 1)

In 1958, output per man-hour in this industry (for production workers only) was up about 60% above the industry level of 1947.

Table 2 also shows the decline in employment while production, in millions of standard cases, increases from year to year.

Not all of the increase in output per worker in food processing (or the decline in number of workers needed per unit of output) was due to automation. However, this is largely just a question of definition. When automation is defined very simply as the displacing of a worker's effort with the use of machinery, then there is no question remaining that automation is by far the most significant. If not the only factor involved.

If the above increase in output per man hour has not been accompanied in the 1950's with increased production demands related to the population expansion, the results might have been disastrous to many of the local unions in the canning division. However, increased production has not been sufficient to prevent a decline in Teamster employment in food processing, because of the overpowering significance of the automation trend and the consequent productivity increases which are behind the output per man hour statistics.

TABLE I
Canning, Preserving and Freezing: Output, man-hours, and
output per man-hour - 1947 - 58
(Indexes, 1947 = 100)

Year	Output	Employment		Production Worker Man-hours	Employed	Output per -	
		All Employees	Production Workers			Produ- tion Worker	Produ- tion Worker Man-Hour
1947	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1948	98.9	100.4	99.6	95.8	98.5	99.3	103.2
1949	102.2	95.3	93.8	91.7	107.2	109.0	111.5
1950	109.3	94.9	93.3	92.4	115.2	117.1	118.3
1951	124.0	98.2	96.9	97.6	126.3	128.0	127.0
1952	119.2	95.8	93.9	93.0	124.4	126.9	128.2
1953	125.1	100.3	98.2	96.8	124.7	127.4	129.2
1954	126.4	94.7	92.6	90.3	133.5	136.5	140.0
1955	131.9	95.7	93.2	90.8	137.6	141.5	145.3
1956	147.5	96.2	95.6	95.2	150.2	154.3	154.9
1957	141.4	93.0	89.1	87.5	152.0	158.7	161.6
1958 ¹	139.2	92.8	88.6	88.3	150.8	157.1	157.8

¹ Preliminary

Source: U. S. Department of Labor, Bureau of Labor Statistics

TABLE II
CANNING AND PRESERVING

Year	Employees (in thousands)	Production Workers (in thousands)	Conned Food Production (Millions of Standard Cans)
1950	225.5	196.6	495
1951	233.3	204.2	539
1952	227.6	197.9	526
1953	238.2	207.2	536
1954	225.0	195.1	518
1955	227.4	196.3	542
1956	233.3	201.5	618
1957	220.8	187.7	567
1958	220.4	186.6	589
1959	223.0	189.2	586
1960	227.6	192.7	600 (annual est.)

Source: Bureau of Labor Statistics; National Canners Association.

INTERNATIONAL BROTHERHOOD OF TEAMSTERS

AUTOMATION AND EMPLOYMENT TRENDS
IN THE
DAIRY INDUSTRY

Many dairies are making extensive use of automated machinery. This applies not only to the large national chains but to medium-sized, regional dairies.

In the dairy industry, technological discoveries are being applied widely at all stages -- in production, transportation, processing and distribution of milk and its products. Like a chain reaction they affect the character and organization of the entire industry, with an adverse impact on employment opportunities for workers in the industry. A rapidly increasing population and growing urbanization have encouraged investment in plant and equipment which have displaced manpower.

Larger fluid milk plants have decreased unit labor inputs heavily by high-temperature short-time pasteurizing, automatic handling of packaged milk, and in-place cleaning.

The International Brotherhood of Teamsters is by far the dominant union in milk processing and distribution, and its membership in this industry, over the past decade, had declined due to increased mechanization and similar changes in distribution and operation. (SEE TABLE I ATTACHED). Employment has

dropped by 25 to 30 percent in the last 10 years, while the volume of milk moving into commercial channels for processing has increased by 17 percent.

Present day plants feature more and better automation: integrated processing systems -- simplified instrumentation -- packaging and handling innovations -- more convenient and flexible cleaning systems. There has been renewed emphasis on continuous product movement and a trend toward the integration of automated components into continuous processing.

Automation is becoming feasible for the small processor in the form of miniaturized instruments units and packaged control devices.

In processing, the new technology has been remarkably successful in reducing labor requirements. As an example, one dairy product plant handling over 1.5 million pounds of whole milk daily requires only 9 men to operate its plant 24 hours daily. Its products include ice cream mix, bulk cream, nonfat dry milk, and condensed skim. In the flush season, a continuous churn makes sweet butter which is stored for ice cream making. Pushbuttons control the metering of ingredients by electric pumps. This plant receives bulk milk and moves its liquid product in bulk tanks. Ice cream making now can be completely automated, thanks to the development of the continuous freezer, packaging equipment, and hardening tunnel.

A new automated milk plant operated by Stop and Shop Stores of Boston, Massachusetts is run by six men. These six men handle the entire operation -- from receiving to loadout

including the operation of the three fillers which consist of two half gallon and one quart machine.

Decline in number of plants. -- The number of fluid milk plants has been declining since the 1930's, and volume per plant has increased. The U. S. Department of Agriculture study of 80 fluid milk firms shows that between 1952 and 1959 the annual volume of large plants rose 34 percent, medium-size plants 57 percent, and smaller plants 37 percent. Much of this increase came from absorbing volume from plants which have gone out of business. Preliminary data from the 1958 Census of Manufactures indicate a 5-percent decline since 1954 in the number of fluid milk establishments having 20 or more employees. This change suggests a sharper decline in the number of smaller plants.

The drop in numbers of dairy manufacturing plants, which is more dramatic, has been hastened by the change from processing farm-separated cream to whole milk. Between 1939 and 1958 the number of plants reporting butter production fell 58 percent, American cheese, 51 percent, evaporated milk, 45 percent, wholesale ice cream, 37 percent. Only nonfat dry milk plants increased in number -- 76 percent. In the same period, average production reported per plant increased 87 percent for butter, 271 percent for American cheese, 94 percent for evaporated milk, 248 percent for wholesale ice cream, and 263 percent for nonfat dry milk (human food). This trend is expected to continue.

Improved roads, trucks, refrigeration, and equipment make it possible to preserve the quality of milk during a haul of 1,000 miles or longer.

Centralized Milk Processing. -- Developments in the distribution of fluid milk are more extensive than those in the distribution of manufactured products. The current trend toward large plants is centralizing fluid milk processing. Large volume plants in the perimeter of city areas serve city market areas and nearby markets in addition to the city outlets. From these plants, trucks move milk to schools, stores, institutions, and other users. Semitrailers haul milk to distribution centers strategically located to service home delivery routes, either local or at distant points, and service distant wholesale stops.

The key to this change from local to area plants has been the ability of plants to incorporate new technology into their processing in order to lower costs.

Shift from Home Delivery to Store Sales. -- The shift from home delivery to store sales -- perhaps the most noteworthy change in fluid milk distribution -- is still continuing. A study of 80 representative milk distributors shows that their wholesale sales grew from 58 percent to 63 percent of total sales from 1956 to 1959. While the grocery store has become the predominant wholesale outlet, less conventional ways of selling milk are gaining importance. The number of dairy stores has grown. Drive-ins are numerous in the Western states. Vending machines have tripled in number since 1955. On January 1, 1960, 43,700 indoor milk vending machines and 34,700 ice cream vending machines were reported. In 1959, they sold \$81 million of milk and dairy products.

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But the shift toward store sales has slowed up. Some consumers want home delivery, hence such service will continue. To this end, firms are endeavoring to lower costs of home delivery routes. In most markets, frequency of deliveries has declined from daily to three-time weekly, and in some markets twice-a-week delivery is found. Definitely, the trend is toward fewer deliveries. With concentrated milk, perhaps weekly deliveries to home would be found feasible.

Ice cream making in larger plants now can be a completely automated operation; specialized plants are making an increasing proportion of frozen products.

Notable labor-saving progress has taken place in ice cream plants which now utilize automatic boxing machines and devices for handling and wrapping. Automatic loading and unloading hardening chambers are making their appearance, offering a fresh approach to handling. One machine automatically opens, fills and seals cylindrical half-gallons of ice cream.

New casing, cartoning, wrapping and bundling devices are increasingly used.

An electronic brain computer coupled with automatic controls, has enabled the M. P. Hood and Sons plant in Boston, Massachusetts to boost ice cream mix output from 1,300 to 2,500 gallons per hour and reduced labor requirements from nine to two men. An analog computer determines the recipes for ice cream. The unit determines the correct ingredients to provide a set proportion of butterfat and milk solids. Fed the content of the day's ingredients, the computer produces a coded punch

card which is then interpreted into a series of valve adjustments that regulate the flow of ingredients from storage to blending tanks.

Mechanization applies to material handling as well as to milk production. For example, cases of empty bottles are placed by a machine, one at a time, on a conveyor, which takes them to a place where they are unloaded and bottles are fed into a washing machine. When they emerge, they flow onto a production line, where they are filled and capped automatically, then collected and loaded by machine into waiting cases. Stacked five feet high, they are slid onto the loading platform, ready for truck delivery. Paper containers for store delivery are handled in a similar manner. Once the day's production is out of the way, a clean-in-place system takes over to wash down the machinery.

A West Coast frozen food distribution plant handles 2,500 cases per hour from storage to trucks semi-automatically. (Peak performance is 3,500 cases per hour under ideal conditions). Volume merchandise stocked by this firm is touched only once by human hands from its reception at truck and rail docks until it is loaded for store delivery in refrigerated trailers.

Pipeline cleaning has been completely automated. The entire cleanup of the plant can now be automated and with the use of liquid cleaners the need for human service can be reduced to a bare minimum.

TABLE I

DAIRY PRODUCTS -- EMPLOYMENT AND OUTPUT

YEAR	EMPLOYEES (In thousands)	PRODUCTION WORKERS (In thousands)	AMOUNT OF MILK SOLD TO PLANTS AND DEALERS		
			Total	Whole Milk	Form Skimmed Cream
			(Millions of pounds)		
1960	95.2	64.0	---	---	---
1959	96.8	65.5	110,493	100736(p)	9757 (p)
1958	99.8	66.7	110,115	99565	10550
1957	104.9	69.6	110,284	98378	11906
1956	108.7	72.1	108,840	95362	13478
1955	112.7	74.9	105,616	90801	14815
1954	116.6	77.6	103,784	87874	15910
1953	118.2	80.4	100,901	84567	16334
1952	119.9	82.7	94,154	77301	16853
1951	124.5	86.8	93,010	74480	18530
1950	124.9	90.3	94,413	74205	20208

SOURCE: Bureau of Labor Statistics, U. S. Department
of Labor; U. S. Department of Agriculture,
Agricultural Marketing Service

Office of the General President

To: Al Weiss

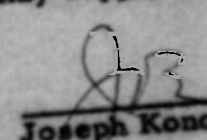
From: Joseph Konowe

Dec. 14/60

DATE

Attached find copy of a communication received
from Congressman Holland.

Would appreciate your ~~getting~~ to work on this
right away in order that we may supply the required
data.


Joseph Konowe
Administrative Assistant to
the General President

JK:es
Attchmt.

*Original
Hondo
Dashed bottom
Tentative (original)
Should be filed*

ELMER J. HOLLAND
30th Dist., Pennsylvania
COMMITTEE ON
EDUCATION AND LABOR

Congress of the United States
House of Representatives
Washington, D. C.

OFFICES
WASHINGTON
404 HOUSE OFFICE BUILDING
PITTSBURGH
722 NEW POST OFFICE BUILDING
MERCERSBURG
608 PEOPLES UNION BANK BUILDING

December 17, 1940

Mr. James Hoffa, President
International Brotherhood of Teamsters
25 Louisiana Avenue, N.W.
Washington 3, D.C.

Dear Sir:

I have been asked by Congressman Russell, who will be Chairman of our Education and Labor Committee next Session, to compile a report on the problem of unemployment and the impact of automation.

In an attempt to get as much information as I can on these subjects, I am writing to the various international unions requesting them to give me their latest figures on the number of members they have to be unemployed and, if possible, to tell me how many have been affected the employment of their members in the last month.

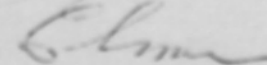
Would it be possible for you to furnish me with this information and with the necessary figures for those unions under your jurisdiction?

Some of the reports are coming in already and the facts are very revealing. While I was fully aware of the unemployment conditions in some of our basic industries, I must admit I was quite amazed on learning the amount of jobs no longer available thanks to the use of automation.

Needless to say I would appreciate having this information from you at your earliest convenience as I am trying to get the groundwork done and be ready for action as soon as the new Session commences. I feel we have wasted too much time already and cannot afford to postpone action any longer.

With kindest regards, I am

Sincerely yours,



Elmer J. Holland, D.C.

ELJH:W

Copy to the Files

ADMINISTRATIVE FILE

Automation

March 28, 1961

Mr. Boyd Anderson
c/o the Honorable Frank E. Mas
6241 New Senate Off. Bldg.
Washington 25, D. C.

Dear Mr. Anderson:

In accordance with our telephone conversation today,
I am enclosing a copy of the letter our General President
Eoffs recently sent to Congressman Elmer J. Holland.

I hope this letter will be helpful. Please let me
know if I can be of any further assistance.

Very truly yours,

Abraham Weiss
Economist

AW/lp
Encl.

C
O
P
Y

WALTER L. JONES
President
E. S. BENJAMIN
Vice President
PETER A. ANDRADE
Director and
Secretary Treasurer

TRUSTEES
Russ Gallagher
Local 10
Battin, Washington
Glen K. Hedberg
Local 228
Sacramento, Calif.
Frank T. Baldwin
Local 483
Boise, Idaho
John Dillon
Local 801
Brockton, California
Emil Merrill
Local 616
Fresno, California
Mary L. Jenkins
Local 674
Antioch, California
Edward Felley
Local 679
San Jose, California
H. C. Toranzo
Local 748
Modesto, California
Vern Penkey
Local 750
Oakland, California
Jim Farrington
Local 780
Yakima, Washington
Manuel Castro
Local 788
Hayward, California
Cliff Evanson
Local 808
Portland, Oregon
Roy Ross
Local 848
Orville, California
Mike Eloroy
Local 851
Sacramento, California
Henry Woodbury
Local 888
Hood River, Oregon
Wm. G. Kanyon
Local 890
Indio, Calif.
Ray Washem
Local 910
Renton, Washington
Leo Kearney
Local 953
Orange, California
Milo Rash
Local 974
Ogden, Utah

ADMINISTRATIVE FILE
INTERNATIONAL BROTHERHOOD OF
TEAMSTERS, CHAUFFEURS, WAREHOUSEMEN & HELPERS OF AMERICA
Registration
WESTERN COUNCIL OF CANNERY AND FOOD PROCESS WORKERS UNIONS

REPRESENTING ELEVEN WESTERN STATES
Room 643 Flood Building, 870 Market Street
SAN FRANCISCO, CALIFORNIA
EXbrook 7-2644

December 29, 1960 *file*

Mr. Abraham Weiss, Economist
International Brotherhood of Teamsters
25 Louisiana Avenue, N. W.
Washington 1, D. C.

Dear Sir and Brother:

Reference is made to your letter of December 22 regarding request by Representative Elmer J. Holland of Pennsylvania in the field of automation. I am referring this matter to Harry Pollard for a report since we are just beginning to develop a study regarding food processing. I have requested him to keep you informed regarding this entire field since we do intend to develop a real honest study during the year 1961.

With best wishes for the New Year, I am

Fraternally yours,

WESTERN CANNERY COUNCIL

Peter A. Andrade
Peter A. Andrade,
Director

PAA:md
cc: Harry Pollard

ADMINISTRATIVE FILE

Automation

X

X

December 22, 1960

Mr. Peter Andrade
Director, Western Casework Council of the
Western Conference of Teamsters
Flood Building, 870 Market Street
San Francisco, California

Dear Pete:

We have been requested by Representative Elmer J. Holland of Pa. to provide him with information on how automation has affected the employment of our members in the last decade. Congressman Holland is requesting such information for a report on the problem of unemployment and the impact of automation.

Has your study of automation in the clothing industry progressed sufficiently so that some material or data is now available? If so, I should welcome it so that I might include it in my report to Congressman Holland. If no over-all data are available at this time, it would be helpful to have an illustration or two of striking technological or automation developments which have cut out jobs. Figures for individual plants with respect to such developments would be helpful. I should welcome any other materials along this line.

Happy Holidays and Best Wishes for the New Year.

Fraternally yours,

Abraham Seiss,
Economist

AS:hs

C
O
P
Y

Office of the General President

To: **Sidna Zagari** *cc: Hiss*

From: Joseph Konowe

ADMINISTRATIVE FILE
Automation

Holland, Elmer J. (Cong.)

Dec. 14/60
DATE

Attached find copy of a communication received
from Congressman Holland.

Would appreciate your getting to work on this
right away in order that we may supply the required
data.

Joseph Konowe
Administrative Assistant to
the General President

JMK:cc
Attachment

ELMER J. HOLLAND
20th DIST. PENNSYLVANIA

COMMITTEE ON
EDUCATION AND LABOR

Congress of the United States
House of Representatives
Washington, D. C.

OFFICES:
WASHINGTON
604 HOUSE OFFICE BUILDING
PITTSBURGH
722 NEW POST OFFICE BUILDING
MC KEESPORT
808 PEOPLES UNION BANK BUILDING

December 12, 1960

Mr. James Hoffa, President
International Brotherhood of Teamsters
25 Louisiana Avenue, N. W.
Washington 25, D. C.

Dear Jim:

I have been asked by Congressman Powell, who will be Chairman of our Education and Labor Committee next Session, to compile a report on the problem of unemployment and the impact of automation.

In an attempt to get as much information as I can on these subjects, I am writing to the various international unions requesting them to give me their latest figures on the number of members they know to be unemployed and, if possible, to tell me how automation has affected the employment of their members in the last decade.

Would it be possible for you to furnish me with this information and with the necessary figures for those unions under your jurisdiction?

Some of the reports are coming in already and the facts are very revealing. While I was fully aware of the unemployment conditions in some of our basic industries, I must admit I was quite amazed on learning the amount of jobs no longer available thanks to the use of automation.

Needless to say I would appreciate having this information from you at your earliest convenience as I am trying to get the groundwork done and be ready for action as soon as the new Session convenes. I feel we have waited too much time already and cannot afford to postpone action any longer.

With kindest regards, I am

Sincerely yours,

Elmer J. Holland, M.C.

LJH:ELA

THOMPSON
Factory Worker
of Tomorrow

ADMINISTRATIVE FILE
Automation
X
X

CONGRESS ASKED BY TEAMSTERS TO SET UP GROUP ON AUTOMATION

Gibbons Proposes in
House Hearing For-
mation of Board to
Study Impact and
Minimize Effect.

By a Washington Correspondent
of the Post-Dispatch.

WASHINGTON, April 13—The
Teamsters Union asked Con-
gress today to establish a na-
tional commission representing
industry, labor, educators and
the public to study the impact
of automation and develop pro-
grams to minimize its effect on
workers, communities and the
nation.

The suggestion was offered by
Harold J. Gibbons of St. Louis,
executive assistant to president
James R. Hoffa of the Team-
sters. It was made in testimony
before a subcommittee on auto-
mation of the House Education
and Labor Committee.

Gibbons said collective bar-
gaining had developed a variety
of solutions to automation in
terms of greater wage increases,
guaranteed employment on a
year-around basis, shorter hours
with no loss in take-home pay,
improved pension plans and re-
training of displaced workers.

"Shock Absorbers."
But he described these ar-
rangements as "essentially shock
absorbers," which cope with
temporary unemployment, "rather
than with a situation where a
man's job disappears under au-
tomation."

Gibbons said the Teamsters
had no fault to find with im-
proved technology, but was con-
cerned over the unemployment
caused by it.

"The only answer to unem-
ployment is an expanded econ-
omy," Gibbons said. "But the
only way the economy can ex-
pand is through greater mass
purchasing power through higher
wages."

Gibbons said the national econ-
omy suffers no damage from
automation itself. The damage
is done, he said, when the econ-
omy cannot absorb the goods
resulting from increased productiv-
ity.

Lines Fields of Study.
Gibbons said the proposed
commission should study ways
of strengthening unemployment
insurance. It should examine
also ways to promote area re-
development, higher minimum
wages, retraining centers in con-
junction with schools and lower
retirement ages under Social
Security.

He urged a review of tax and
monetary policies to be sure
they are stimulating economic
growth and new jobs.

Gibbons said the economy was
damaged by monopolism. He as-
serted there is something wrong
when the steel industry, for ex-
ample, can show profits when
producing at only one-third of
capacity.

He conceded that the Team-
sters Union represents virtually
all transportation by truck. But
he denied that the union is a
monopoly.

"The monopolist can tell a
sack of cement to stay in a
warehouse until he gets the price
he wants," Gibbons told the Con-
gressmen. "But you can't do that
to a truck driver. They are ag-
gressive and intelligent men and
they are not about to be mono-
polized by Hoffa, Gibbons or
anyone else."



sound talk

from

sound studios
306 Sixth Street, Northwest
Washington 1, D. C.
District 7-4482

AUTOMATION THE PROBLEM

If this peroration seems a little bewildered, it is only because I am personally somewhat bewildered, and as far as I am able to determine everyone I have listened to, from the President of the United States down, also seems to be bewildered. Only the other day the Bell and Howell Company presented a well produced and well documented television show called "The Awesome Servant." While I cannot remember nor from what I heard does it seem important to remember all of the people who took part in this program, a few of the highlighted people bear eminent names well known to all of us. For example, Walter Reuther gave out with his usual. An executive of the Cudahy Company had a few things to say, and Secretary of Labor Goldberg as always gave a clear, concise, if somewhat thoughtfully worried, analysis. Mr. Thomas S. Watson, Jr., who of all the people speaking, certainly knows what he is talking about in this area said some quite unexpectedly human things. And then of course there were the tremendously impressive little people, the bewildered, and strangely enough, not very bitter victims of automation--the common laborers at Cudahy and the workers of Local 600 of the UAW. They said quite a few mouthfuls. From what I could gather, so long as their present unemployment relief checks lasted, they would have a mouthful but apparently not much beyond that cutoff date; and what they had to lose most of all was hope.

Lest you begin to worry that the writer expects to turn into a modern Delphic Oracle, don't stop reading on that account. For I feel after listening to the B. and H. show, like a child lost in the woods. I have no ideas about what to do with this problem of automation. I haven't even any crackpot idea of how to solve it; which certainly gives you the idea that I have no sense or practical solution. I learned only one thing from this television documentary. . . that suddenly brought to life panic button ideas that have been floating around haphazardly in my mind for a long time. . . and that is, that somebody, some place, somewhere, had better begin to figure a solution to this problem before it overwhelms our American Democracy.

I can't do it. Mine is just one small voice crying in the wilderness. I have neither the means nor the standing. . . politically, socially, or businesswise. . . to accomplish even the savillest lots of what must be done. But among the people. . . this assumes you. . . who have received this frenzied discourse. . . a great many of you have the attributes that I lack. You can in your own way do what I am certain has to be done if this "Awesome Servant" isn't to become our "Master."

The problem that Automation presents doesn't seem to me to admit a solution arrived at solely by any one of the normal groups into which we divide this country; namely, Labor, Management, and Government. In my opinion the solution to this problem is going to lie in a concerted last-ditch cooperative effort by all three. And I don't believe that the so-called statesmen of any of the three groups will sit down to tackle this problem unless terrific pressure is brought to bear for them to sit down and solve it.

What the solution is and where the answer lies is more than I know. The only thing I can think of is that everybody, everywhere, wherever possible get together in small or large groups and discuss the problem and a possible solution. From where or from whom the answer will come I don't know. The only thing I do know is that some of the answers to a world that ran for thousands of years comparatively well and getting progressively better, came from some very simple men in some very obscure and lonely places.

So I say it is up to you as well as to me to try and get everyone to talk, discuss, argue, propose, until someone some place, somewhere, finds the answer to a problem that to me seems to be, and at increasing speed, overwhelming all of us. And the only thing I want to say is closing is to remember that "it is later than we think."

- Ghosted for Sound Studios by Lee Loeb -

Al Weiss

ADMINISTRATIVE FILE

Automation

December 3, 1956

11 Cedar Ave.

Jamestown, N.Y.

International Brotherhood of
Teamsters, Chauffeurs, Warehousemen
and Helpers of America
25 Louisiana Ave. N.W.
Washington, D.C.

Dear Mr. Weiss

I received the copy of "What Automation Means to You."
It does a real job of presenting the facts about automation, the benefits
from automation and the problems that must be solved to prevent a condition
similar to the period of the Industrial Revolution.

Mechanization hasn't been too much of a problem to carriers
in the postoffice as yet but the clerks are being confronted with
the problem. One new machine that operates on the principle of a
shorthand machine called "Transorma" is to be tested in the near future.
It could be used to perform the casing of mail for delivery.

We are out for a substantial pay raise this year plus
a bill for union recognition with the right for impartial arbitration
in the event of failure to settle request.

If we gain the raise it will no doubt increase the attempts
of the department to utilize more and more mechanical devices.

Sincerely yours,

Albro Fessenden

Albro Fessenden

N.A.C.L. 165

DAVE BECK
General President



International Brotherhood of
**TEAMSTERS, CHAUFFEURS
WAREHOUSEMEN & HELPERS *of America***

AFFILIATED WITH AMERICAN FEDERATION OF LABOR

25 LOUISIANA AVENUE, N.W. • WASHINGTON 1, D. C. • STERLING 3-0525

Dear Sir:

In accordance with your request, I am enclosing What
Automation Means to You. I hope you find it useful.

If I can be of further assistance, please let me know.

Very truly yours,

Abraham Weiss

Abraham Weiss
Economist

AlW:el

Enclosure

ADMINISTRATIVE FILE

Automation

/ AFL-CIO NEWS SERVICE /

March 5, 1956

PLATE PRINTERS ASK 35-HOUR WEEK TO OFFSET "AUTOMATION"

Washington.--Legislation establishing a 35-hour week for the Bureau of Engraving & Printing as a means of relieving the impact of automation was asked of Congress by Chairman John D. Fitzgerald of Plate Printers Local 2.

Testifying before the Senate Appropriations Committee with George Riley, AFL-CIO legislative representative, and Tom Walters, operations director of the Government Employees Council, Fitzgerald said that the Bureau's announced plans of installing new presses are expected to boost production of stamps three times and cause a reduction of the present force of 290 plate printers to less than 100.

He turned over to the Committee affidavits from men already laid off because of increased output resulting from new stamp presses already installed at the Bureau. Other affidavits stated that Bureau officials, in connection with recruitment drives, had promised that the introduction of new equipment would be gradual so that no printers would be laid off.

"Because of the present attrition rate of plate printers in the Bureau, 25 men a year, it appears that there will be need for continuing reductions in force among printers for several years to come unless steps are taken to soften the impact of the introduction of high production presses," Fitzgerald said.

Adoption of a work week of 35 hours, he declared, would have the effect of a 12 1/2 percent decrease in work force. This would not be "a cure-all," he added, "but would help to ease the situation."

Fitzgerald also urged that high speed equipment be operated on one shift only until production and manpower conditions required two shifts. This would have the effect of requiring the use of existing equipment longer and allow the rate of attrition of employees to be the determining factor in the introduction of new equipment.

"The purchase of high speed equipment as the manpower need called for it would more surely give the skilled craftsman some benefit of the advances which they have made in their trade," he said. "This would be the most humane way to put this modernization into operation."

Earlier, the House Appropriations Committee also recommended a shorter work week for the Bureau, to prevent additional layoffs from the present staff of 3,600 which has already been cut by 1,500 in the last five years.

The committee report "strongly requests" bureau officials to retain present employees "until the staff reaches required levels through attrition." (3/5/56)

AUTO WORKERS SEND FOOD TO ITALIAN LABOR GROUPS

Detroit.--The Auto Workers have contributed 500 CARE food parcels to Italian sufferers from the worst European winter in generations for distribution through the two major Italian labor organizations.

Pres. Walter P. Reuther expressed the UAW's deep distress at the suffering of the victims of bitter cold in cables to Gen. Sec. Guilo Pastore of the Italian Confederation of Labor Unions (CISL), which is getting 300 of the packages, and to Gen. Sec. Italo Viglianese of the Italian Union of Labor (UIL), which is getting the remainder. (3/5/56)

March 5th 1956

SAN DIEGO UNIONS SIGN PACT WITH MEXICAN WORKERS

San Diego, Cal.--The Tijuana members of the Mexican Confederation of Workers on the other side of the border have joined with AFL-CIO unions of this area to form an International Labor Affairs Coordinating Committee.

A constitution, ratified by both labor groups, calls for regular monthly meetings, alternating on both sides of the border.

"We will strive to bring the wages and working conditions of all workers to the highest level that prevails," the newly adopted charter declares. "On international projects we will work together to obtain the highest level of wages and working conditions for all parties."

Ratification of the constitution climaxes a series of negotiations between CTM and AFL-CIO unions which began last fall following the annual conference of the Joint U. S.--Mexican Trade Union Committee here. The meetings were originally arranged by Vice Pres. Max J. Osslo of the California Federation of Labor, who had been impressed by reports submitted by the Texas delegation on the operation of similar international pacts along the Rio Grande.

The committee representing San Diego labor which subsequently negotiated the agreement was headed by John Quimby, secretary of the San Diego Central Labor Council. (3/5/56)

ST. PETER'S COLLEGE TO HONOR PRES. MEANY

Jersey City, N. J.--AFL-CIO Pres. George Meany will receive the eighth annual Rerum Novarum Award of St. Peter's College at the annual "green and white dinner" of the School of Business Administration.

The presentation will be made Mar. 14 at the Military Park Hotel.

The award, presented annually since 1949 to a Catholic who has distinguished himself in the field of labor-management relations is named from the first two words in Latin, meaning "new things" of Pope Leo XIII's encyclical, "The Condition of Labor."

Meany will receive the award, college authorities said, "for his promotion of just cooperation with management, his championship of interracial justice and his expulsion of corrupt leaders from the house of labor." (3/5/56)

RUBBER WORKERS NEGOTIATE PENSION HIKES

Cincinnati, O.--Increased pension and insurance benefits for 2,500 employees of the Richardson Co. have been negotiated by the Rubber Workers through modification of the 1951 and 1953 agreements.

The old pension formula has been revised to provide \$1.80 per month exclusive of social security for each year of service up to 30 years. Disability pensions for workers with 15 years' service have been raised to \$80 a month.

Life insurance has been boosted from \$1,000 to \$1,500 and schedules for hospital and sick benefits have been improved for active and retired workers on pensions.

The firm has plants covered by URGLPWA contracts in New Brunswick, N. J., Indianapolis, Ind., Melrose Park, Ill., Tyler, Tex., Ogden, Utah and Newman, Ga. (3/5/56)

March 5, 1956

TELEGRAPHERS SEEK "FAIR SHARE" OF WESTERN UNION PROFITS

Washington.--The Commercial Telegraphers have notified the Western Union Telegraph Co. that 40,000 of its employees who belong to the union want a fair share of the record-breaking profits the firm chalked up in 1955.

The company's net last year, after taxes, was \$13 million, 39 percent more than in 1954 and the highest in 25 years.

The union is asking the company for a package of 29 cents an hour spread through a new contract which will replace one that expires in June. It is seeking a straight increase of 16 cents an hour, 8 cents for correction of inequities and 5 cents for fringe benefits.

Other demands include a clause protecting pension payments against deductions because of social security benefits, three weeks' paid vacation after 10 years of service and four weeks after 25 years, and increased vehicle allowances for messengers. Negotiations open in Washington Apr. 12. (3/5/56)

SCHNITZLER TO ADDRESS CIVIL LIBERTIES CONFERENCE

Washington.--AFL-CIO Sec.-Treas. William F. Schnitzler will be among the speakers at the eighth annual Conference on Civil Liberties to be held at the Hotel 2400 Mar. 22 and 23.

The conference is sponsored by the National Civil Liberties Clearing House, in which labor, religious, educational and other organizations interested in academic freedom, human rights and civil rights and liberties are represented. (3/5/56)

PAGE ONE AWARD IN LABOR GOES TO A. PHILIP RANDOLPH

New York.--AFL-CIO Vice Pres. A. Philip Randolph has been awarded the New York Newspaper Guild's annual Page One Award in the field of labor.

In naming Randolph, who is president of the Sleeping Car Porters, the Guild panel of experts cited him "for his successful fight against painful odds to establish equality of opportunity as a fundamental tenet of the American labor movement and his lifelong efforts to abolish racial discrimination in every phase of American life."

The Page One Awards, which are made in several branches of journalism and in the fields of labor, public affairs, theatre, movies, science, radio and TV, and sports, will be presented at the New York Guild's Page One Ball in the Sheraton-Aston Hotel on Apr. 13. (3/5/56)

NEW JERSEY LEGISLATORS TO READ AFL-CIO NEWS

Newark, N. J.--New Jersey State officials headed by Gov. Robert B. Meyner and all members of the legislature will receive the AFL-CIO News for the next year as a result of joint action by the New Jersey Federation of Labor and the New Jersey Industrial Union Council.

The paper will go to a total of 131 persons, including members of the governor's cabinet and justices of the Supreme and Superior Courts. The subscriptions were arranged by Sec.-Treas. Victor D. Leonardis of the council and Sec.-Treas. Vincent J. Murphy of the federation following the suggestion of AFL-CIO Sec.-Treas. William F. Schnitzler that state bodies spread word of organized labor's activities and objectives among legislators by sending them copies of the AFL-CIO News. (3/5/56)

HELPERS OF AMERICA

25 LOUISIANA AVE., N. W. • WASHINGTON 1, D. C. • STerling 3-0525

September 24, 1955
ADMINISTRATIVE FILE

Automation

X

X

Dear Sir and Brother:

Samples of two pamphlets published by your International Union are enclosed. One, on the problem of "Automation," is designed to alert members to a big problem, particularly in the fields of warehousing and canning.

It is 5¢ a copy. Envelopes, if needed, are 7/10¢ each, or you may use a standard 6" by 10" envelope which you probably already have imprinted with your return address. On orders of 2000 or more, names of local union officers may be imprinted on the back cover at no additional charge.

The other pamphlet, "Your Community and the Teamster," is free as long as the stock we have left lasts.

"Automation" is intended primarily for members; the "Community" is aimed at the general public.

Many local unions and joint councils have mailed "Community" to business and professional people in their towns with excellent results in developing good will. If such a mailing interests you, we can give you additional details.

Please let us have your order for "Automation" by return mail as orders must be placed in bulk to secure the 5¢ rate. Also, remember that "Community" is now free, but strictly on a "first come, first served" basis until we get rid of the few we have.

Fraternally,

John McCarthy
John McCarthy

Please send:

_____ copies of "Automation" @5¢ a copy* _____

_____ envelopes @7/10¢ per hundred _____

_____ copies of "Community" FREE _____

Signed _____

* If for more than 2000, include names for back cover on separate sheet.

U. S. DEPARTMENT OF LABOR
OFFICE OF THE SECRETARY
WASHINGTON

file
ADMINISTRATIVE FILE
Automation
X
X

August 5, 1955

Mr. Abraham Weiss
International Brotherhood of Teamsters,
Chauffeurs, Warehousemen & Helpers
of America, AFL
100 Indiana Avenue, N. W.
Washington 1, D.C.

Dear Al:

Your pamphlet on "What AUTOMATION means
to you" has just come to my attention.

I want to congratulate you on assuming
your new duties with the Brotherhood. Best wishes
for continued success and happiness in this under-
taking.

Let me know if there is ever any way
in which I can be of assistance to you.

With kindest regards,

Sincerely,

Millard Clegg
Millard Clegg

WESTERN UNION

10-276 MAY 17 1955

3 CF 165 PD-CHICAGO ILL 17 1223PM

MRS ANN WATKINS. INTERNATIONAL BROTHERHOOD OF TEAMSTERS-

ANSWER DATE 8 MAY 16 PD FAX WASHDC-

HAVE RESERVED SINGLE ROOM FOR ABRAHAM WEISS - LATE MAY

19TH- MAY 17 PM 8 30

J R NEUBAUGH SALES MANAGER PALMER HOUSE-

ADMINISTRATIVE FAX

Automation

Roosevelt University

1070 (1-5-55)

Telex **WESTERN UNION** *Telex*
SENDING BLANK

MDV DL PD INT. BRO. TEAMSTE'S MAY 16, 1955

JAMES R. HEIMBAUGH
THE PALMER HOUSE
CHICAGO, ILLINOIS

ADMINISTRATIVE FILE
Reservation
X

FOR ABRAHAM WEISS ARRIVING THURSDAY EVENING
NINETEENTH RESERVE SINGLE FOR ONE NIGHT ONLY.
PLEASE CONFIRM

ANN WATKINS

annw
Send the above message, subject to the terms on back hereof, which are hereby agreed to

PLEASE TYPE OR WRITE PLAINLY WITHIN BORDER—DO NOT FOLD

1249—(1-50)

Roosevelt University

LABOR EDUCATION DIVISION

FRANK MCCALLISTER, DIRECTOR
AGNES M. GOUTY, ASSISTANT DIRECTOR



430 S. MICHIGAN AVENUE
CHICAGO 5, ILLINOIS
WARREN 2-3580

May 16, 1955

To panel members of conference on "Unions, Automation, and Job Security":

Mr. Roland E. Fulton
Mr. Ted Silvey
Mr. Abraham Weiss
Mr. Adolph Berger

Dear Al:

Enclosed is a copy of the program for our conference this Friday.

You will note that our panel discussion "What are the collective bargaining problems raised by automation" is scheduled to begin at 2 p.m. in the Green Room of the Hamilton Hotel.

We intend to show a motion picture at the beginning of the session showing the Ford Motor company plant in Cleveland. This is a dramatic presentation of the techniques of automation in the automobile industry.

After the movie, we should like for each panel member to limit his presentation to ten minutes in order to have a good discussion take place with the labor people who are present.

We probably will let the panel members ask each other questions before taking the discussion to the floor.

We are issuing materials to each participant and are sending you a set enclosed.

We look forward to seeing you and want to have lunch together so we can discuss further the exact form our panel will take.

Sincerely yours,

Frank McCallister

Frank McCallister, Director
Labor Education Division

FM:ac
ruosu

Roosevelt University

430 SOUTH MICHIGAN AVENUE
CHICAGO 5, ILLINOIS

LABOR EDUCATION
DIVISION

TELEPHONE
WARREN 2-3580

May 2, 1955

Mr. Abraham Weiss, Economist
Int'l. Brotherhood of Teamsters, AFL
100 Indiana Avenue
Washington, D.C.

Dear Mr. Weiss:

We are very pleased that you will be taking part in
our program on May 20th.

The program enclosed will furnish complete details
as to hour and place for your participation.

We hope you will feel free to attend any other part
of the meeting as well.

We look forward to seeing you on May 20th.

Sincerely and fraternally yours,

Frank McCallister

Frank McCallister, Director
Labor Education Division

FM:sm
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One day Institute
On
UNIONS, AUTOMATION, and JOB SECURITY

Sponsored by: Labor Education Division, Roosevelt University
Institute of Labor and Industrial Relations, University of Illinois

Friday, May 20, 1955
9:00-5:00 p.m.

Green Room, HAMILTON HOTEL
20 S. Dearborn — CHICAGO

PROGRAM

9:00 a.m. Registration

9:30 a.m. Introductory remarks by chairman, P. L. SIEMILLER,
Vice-President, International Association of Machinists, AFL

9:45 a.m. CAN WE MAINTAIN FULL EMPLOYMENT WITH INCREASING AUTOMATION?
Speaker: ROBERT H. MOORE, Regional Director, U. S. Federal Mediation and Conciliation Service

WHAT ARE THE WAYS TO EMPLOYMENT SECURITY?
Speaker: JOSEPH BORUS, Director, Bureau of Employment Security, Chicago Office

12:30 p.m. Luncheon

2:00 p.m. Panel Discussions

Group I WHAT ARE THE COLLECTIVE BARGAINING PROBLEMS RAISED BY AUTOMATION?

Chairman: FRANK McCALLISTER, Director, Labor Education Division, Roosevelt University

Participants: ROLAND E. FULTON, Executive Vice-President, Employers' Association of Chicago
TED SILVEY, CIO, National Office
ABRAHAM WEISS, Economist, Int'l. Brotherhood of Teamsters, AFL
ADOLPH BERGER, Director, Bureau of Labor Statistics, Chicago Office

Group P WHAT ARE THE COLLECTIVE BARGAINING PROBLEMS RAISED BY PROPOSALS FOR GUARANTEED EMPLOYMENT?

Chairman: PHILIPS GARMAN, Coordinator of Extension, Institute of Labor and Industrial Relations, University of Illinois

Participants: SEYMOUR J. BURROWS, Director of Industrial Relations, Maremont Automotive Products, Inc.
DAVID DOUNICK, Research Director, Amel. Meat Cutters & Butcher Workmen, AFL
WILLOUGHBY ABNER, Education Director, Region 4, United Automobile Workers, CIO
ROLF WEIL, Professor of Economics, Roosevelt University

4:15-5:00 Planory Meeting

(Discussion during each session, and films.)

REGISTRATION FEE: \$4.00 (including luncheon and materials)

Fill in and return to:

Labor Education Division, Roosevelt University
430 S. Michigan, Chicago 5, Illinois

Please reserve _____ places for me in the Institute on "UNIONS, AUTOMATION, AND JOB SECURITY," Friday, May 20. My ☐ check, ☐ money order, payable to Roosevelt University, is enclosed. ☐ I will pay at the door.

Name _____ Address _____

Organization _____ Phone _____

Please mail your reservations in before May 14th.